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PHILIPPINE DAILY
INQUIRER
BALANCED NEWS, FEARLESS VIEWS

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Rights, benefits sought for 1.5M housemaids

By Jamie Aboson, PDI Research and Pali Cantuba

Prayer, humor make Pinoy resilient, says study

By Cynthia D. Baluma

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Mussomeli misread signs of unrest, says intel officer

By Luige A. del Puerta, TJ Burgonio and Nikko Dizon

US envoy reckoned coup lacked support

June 2 report said 2 military groups out to oust GMA

By Norman Bordadora

THE US EMBASSY TOLD WASHington in June that two groups in the Philippine military had planned to oust President Macapagal-Arroyo even before the worst crisis of her presidency erupted but indicated the plots would not succeed, a report released yesterday to the Inquirer said.

US Charge d'Affaires Joseph Mussomeli, in a June 2 report, said "several crucial factors ... should lead plotters to conclude a coup is premature." He added that "in addition to a lack of precise, civilian support may be in doubt."

The coup plots were finished by "a substantial number" of junior officers and generals, working separately, and the US Embassy reports—the second purportedly from Mussomeli released to two days—do not mention by a source who requested anonymity.

A report by Mussomeli dated April 11, 2005, made available on Saturday said Mrs Arroyo's public support had waned and the embassy had been told that elements in the Armed Forces were moving to force her to resign.

US Embassy press attaché Matthew Lussenhop declined to comment on the purported Mussomeli report in June as well the April 11 document.

Both reports appeared to be among documents allegedly stolen from files of the US Federal Bureau of Investigation by FBI analyst Leandro Aragoncillo, a Filipino-American.

THE RETURN of President Macapagal-Arroyo from a successful UN trip early Sunday morning provides an occasion for a demonstration at the University of the Philippines to protest her administration's hiring of foreign consultants on proposed Charter change. (See related story on Page A3.)

GMA: I return with new energy in facing problems

By Christine O. Avendaño

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Samal isle: Making of a dream city

By Gerardino A. Lacuesta
PDI Mindanao Bureau

THE ISLAND-GARDEN City of Samal reaps the bounty of the sea as demonstrated by worker Jan Bacod to Mayor Antolin as the site seeks to develop itself into a world class eco-tourism site.

Archbishop happy 'jueteng' has stopped

By Yolanda Sarabia-Fuentes
PDI Northern Luzon Bureau and Christian V. Esguerra in Manila

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PHILIPPINE DAILY INQUIRER
MONDAY, SEPTEMBER 19, 2005
Second FRONTPAGE

WEATHER FORECAST

Senate set to probe Gonzales

By TJ Burgonio and Christine O. Avendaño

DESPITE THE RESCISSION OF THE CONTROversial contract he entered into with American lobby firm Venable LLP, National Security Adviser Norberto Gonzales is not yet off the hook.

"It doesn't matter if the Venable contract is scrapped. What is at issue is the fitness of Secretary Gonzales to continue being the national security director," said administration Sen. Jinkee Arroyo said yesterday.

After drawing flak from all fronts, the beleaguered national security adviser finally caved in and announced the rescission of the Venable contract.

Venable was hired by the government to lobby for US funding for Philippine government projects, including Clearer change.

Arroyo is convening this week the Senate committee on accountability of public officials and investigations to inquire into Gonzales' role in the agreement with Venable.

Arroyo said the blue ribbon committee, which he chairs, would focus on whether Gonzales is authorized to sign lobby agreements with foreign entities.

"The job description of the national security director does not give him the power to enter into lobbying agreements. His function is to provide individual assistance to the NSC and advise the President on national security matters," he said in a statement.

"Under what authority, therefore, did Secretary Gonzales enter into the Venable contract on behalf of the Philippine government?" he has asked.

The reservist senator said that Gonzales could be a "danger" to national security if he overplayed his functions and overstepped boundaries.

Senate Minority Leader Aquilino "Nene" Pimentel Jr. said he would like a resolution ordering a clear delineation of Gonzales' powers and functions.

"But final problematic his advice to the President to enter into a contract with Venable," he said, stressing that no national security adviser before Gonzales entered into contract since constitutional amendments do not fall within the purview of national security.

Gonzales said he called up my representatives of the Baltimore-based law firm yesterday to inform them that the Philippine government no longer wished to retain its services.

It was Gonzales who signed the contract with Venable on July 25 on behalf of the Philippine government. With reports from Delon C. Mallari Jr., PDI Washington Canon Bureau.

Debt-for-equity tagged an embarrassment

By DJ Yap

THE PHILIPPINE DEBT-for-equity proposal is actually not only bad economics to the international community notwithstanding the possible it got from top United Nations officials and heads of state, according to the President from Debt Coalition.

"It is an empty proposal. It will do nothing" to reduce the country's foreign obligations, said ISC president Ana Maria Bernardo.

The scheme, first proposed by Ignatius Jose de Teresa, aims to convert 50 percent of the debt service receipts of lending institutions and multinational commercial banks into equity to be invested in assignments and development projects.

The debt-for-equity proposal was endorsed by UN Secretary General Kofi Annan, Italian Prime Minister Silvio Berlusconi and German Chancellor Gerhard Schroeder.

The FOC, however, said the endorsement was mere "diplomacy."

"In the diplomatic community, how could Kofi Annan not endorse" something that promises substantial debt relief, said FOC vice president Lidy Nacpil.

Other countries had, in fact proposed other more radical ways of debt reduction than (and more potential), Nacpil said, adding it was unlikely that UN diplomats would reject debt proposals in the course.

"It's rather amazing. (In his proposal arm to Annan, De Teresa) was claiming substantial debt relief. But in reality it does not reflect relief," she said.

At a press conference yesterday in Quezon City, the FOC said the conversion of foreign debt to equity would not reduce the country's debt—it would merely change its form.

Nacpil said that under De Teresa's proposal, the Philippines would continue paying its debts to creditors who would "plow back" half of the payments in investments in the country.

"Investment is not a donation. ... If we don't pay our debts, creditors will not invest" she said.

Bruce De Silva is clearly stated in his proposal that he was not seeking for debt cancellation, forgiveness or even discounts, "rather breathing room and fiscal space in Chri- talking about?" the group asked.

"The intent, the proposal says is really bring about, that is, if creditors will agree, is that part of the interest we pay them they will invest in so-called antipoverty and development projects, "the FOC said.

But it added: "This is not even necessarily positive—as there are weaknesses and repercussions in advance had led to increases in the cost and price of those services."

The debt swap would "essentially open up the field of social services, such as mass housing, health care, education, irrigation, food production and postharvest facilities, the government's sole responsibilities is to people, no foreign business interests," the FOC said.

No conflict in VAT statements—Bunye

By Christine O. Avendaño and Michaella V. Reyes

THAT'S RECONCILABLE.

That declared Press Secretary Ignacio Bunye after he was asked to explain the "conflicting statements" that President Macapagal-Arroyo gave to investors and businessmen in New York and in the press statement issued by Malacañang on the administration of the Expanded Value-Added Tax Law.

Bunye did not elaborate but referred all "Q&" queries to Finance Secretary Margarito Teves. Teves, however, was still reportedly in the US, where he had accompanied the President.

On Friday Ms. Arroyo told American businessmen in New York that she was amenable to declaring the imposition of the 10 percent VAT on oil and electricity provided the move was initiated by Congress and not by the executive branch.

Senate majority leader Sen. Francisco "Kiko" Pangilinan and Senator Sen. Manuel A. Roxas II and Sen. Juan Ponce Enrile, respectively, to file the bill on oil and power.

"If the resolutions don't pass, then we will proceed with carry-

ing out with the reforms and if the resolutions are passed, we will request Congress' advice to us... We respect their wisdom," the President had told a limited number of businessmen.

Apparently to assuage the fears of the country's creditors, Malacañang later issued a statement saying the President remained firm in her position on the EVAT law implemented in its entirety.

In her statement, the President warned Congress about the implications to the country of scrapping oil and power from VAT in the international financial markets.

Also not wanting the President to appear to be dictating to Congress, a co-equal branch of government, Malacañang said it "realized that it is the prerogative of Congress to decide on these exemptions, and we will implement the law accordingly."

Like the President, it said, the government's economic team is also committed to the VAT law implemented in full, that is, to cover oil and electricity as soon the Supreme Court lifted the temporary restraining order on the law's implementation.

Weather updates now just a phone call away

By Blanche S. Rivera

RIDE A RAIN CHEST UNIL 433 ILADS.

Yes, the Philippine Atmospheric, Geophysical and Astronomical Services Administration provides a weather forecast over the phone every day for free.

The service has caught fire. More than 1,000 phone calls has rage the weather bureau's hotline daily during the typhoon season seeking details about what it's go- typhoon like out there.

Deputy weather forecast chief Aberson Epefanio said the agency's dial-a-forecast was a popular, reliable source in a country which comes at least 19 typhoons a year.

"Papasa really spends for this service to reach more of the public because not everyone has access and individuals cannot always go through our line," Epefanio said.

The 433-ILADS hotline can take 30 calls simultaneously.

Callers can get different kinds of weather advisories in English and Tagalog. They can press 1 for the national forecast, 2 for shipping information, 3 for a forecast of selected Asian cities and 4 for special typhoon updates.

During the continuous downpour that flooded parts of Metro Manila last week, Pagasa received hundreds of queries, where it only got 20 to 30 calls when the sun is shining.

The reports are recorded by eight Pagasa-trained platoons and updated every three hours, while every day to update the advisory.

"We asked those who can explain (the weather) well and, of course, they must have good voices to be qualified," Epefanio said.

The administrator includes the usual information on temperature, weather disturbances, the condition of coastal waters and the tides.

The shipping bulletin gives data specially useful to mariners, including wind strength and direction and affected latitudes.

The selected three forecast gives a brief bulletin on the kind of weather and temperature to expect in cities all over the Philippines and Asia.

A check with 433-ILADS yesterday reported the existence of an intertropical convergence zone in southern Luzon and Western Visayas.

LPG prices hiked by 50¢

FOR THE THIRD TIME THIS month, oil firms Petron Corp., Pilipinas Shell Petroleum Corp., Caltex Philippines Inc. and Total (Philippines) Corp. jacked up their cooking gas prices by 50 centavos per kilogram over the weekend.

Caltex was the first to implement the price hike, increasing the price of its Caltex liquefied petroleum gas at 6 p.m. Saturday. Prices of Petron's Gasul, Shell's Shellane and Total's TotalGaz rose an hours later at 12:01 a.m. yesterday.

The oil firms cited the significant increase in the international contract price of LPG this month as the reason for the successive price increases.

The international contract price of LPG jumped 8.06 to $440.25 per metric ton (MT) this month from only $406.20 per MT in August and $400.13 per MT in July.

Petron officials said that while the rise in LPG contract prices should have resulted in a P2 per kilo increase in local prices, the actual price hike implemented this time was only 50 centavos a kilo.

Oil firms had so far jacked up LPG prices by P3.50 per kilogram this month, or 50 centavos per kilogram over the first three weekends.

Since the start of the year, cooking gas prices have gone up six times by a total of P3.05 per kilogram.

LPG now retails at between P385.50 and P465.50 per 11-kilo cylinder.

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RP's top cops join Interpol meet on crime

By Leila A. del Puerto

THE COUNTRY'S TOP COPS WERE SET TO leave for Berlin, Germany, last night to attend the 74th Interpol General Assembly which starts today.

"High on the agenda of the assembly is... combating international crime, including terrorism, drugs, human trafficking and financial crime," said Philippine National Police spokesperson Chief Supt. Leopoldo Bataoil.

Interpol (International Police) holds an annual meeting to update member countries on the latest in crime-fighting and to increase cooperation among them.

This year's meeting will also discuss the police response to the tsunami disaster that hit Asia last year.

Bataoil said member countries would "be updated on the expansion of Interpol's databases, such as those on DNA and child (pornography) on the Internet."

Although the Philippines will also exchange have been monitoring and tracking cyberspace skins. Police officials, however, have lamented their failure to prosecute those arrested because of the lack of laws against such crimes.

Aside from PNP Director General Arturo Lomibao and five other senior police officers, Bureau of Investigation Director Reynaldo Wycoco and presidential adviser on police affairs Orlando Mananzan were scheduled to fly to Berlin.

Even with the top police officials out of the country, the PNP and the military yesterday downgraded their alert status to normal following the return of President Macapagal-Arroyo from abroad on Sunday.

The military and the 115,000-strong national police force were placed on full alert when Mrs Arroyo left for New York on Sept. 12 to address the General Assembly and preside over the World Leaders Summit and a Security Council meeting.

A nationwide (redacted) strike last week also prompted the alert.

Bataoil said the police were now on "normal alert."

"Of course it does not mean the police are relaxed. We are constantly guarding (our streets) against criminal elements," he said.

"We're on white alert now," said Capt. Buenaventura Zapata, spokesperson of the Armed Forces National Capital Region Command.

"As a matter of SOP (standard operating procedure), the AFP (was placed) under red alert status when the President left. We were on white alert since her arrival."

240,000 health workers said to face layoffs

By Christine V. Esguerra

SOME 240,000 GOVERNMENT HEALTH workers are set to be laid off notwithstanding the continued exodus of doctors and nurses to other countries and the slash in the budget of already cash-strapped state hospitals that has adversely affected the delivery of health services.

The Health Alliance for Democracy (HEAD), a national organization of doctors, nurses and other health professionals, said the Department of Health is set to implement Executive Order No. 366 which would streamline the bureaucracy to save money.

Dr. Ernie Ong-ayon, HEAD secretary general, said the layoffs would affect key government hospitals which already lack medical personnel as a result of budget problems.

The Philippine Orthopedic Center, he recalled, should have 1,300 employees but is actually short by 90 people, he said.

The National Center for Mental Health and the San Lazaro Hospital, the government's primary treatment facility for victims of rabies, also lack medical personnel, he said.

The RCMH has only 1,070 employees while San Lazaro has 650—two if they should have 1,070 and 999 workers, respectively.

Another retail government hospital, the (redacted) Medical Center in Manila, has a bed capacity of only 400 but admits around 600 patients daily, excluding 1,400 out-patient cases.

"What prize to reward from health personnel who are expected to provide quality health care?" Ong-ayon asked.

The Alliance of Health Workers on Friday predicted that the country's health care system would collapse in two to three years if doctors and nurses continued to leave for higher-paying jobs abroad.

From 2000 to 2005 alone, the group said the country lost 17,000 nurses.

Some 5,000 registered doctors also left in the last four years while around 6,000 are now taking up nursing, according to the group.

Ong-ayon said President Macapagal-Arroyo was not doing enough to address the serious problems besetting the health care system.

"She has remained blind to the deteriorating state of public hospitals and remained deaf to the pleas of health workers for just wages and better working conditions," he said.

Ong-ayon' group was dismayed after the Arroyo administration cut the budget of the Tondo Medical Center last year to only P20 million a month compared to nearly P66 million recently to 2002.

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DPC YELLOW PAGES
Let your fingers do the walking

ISMELY and female pop choir last respects to Hayden Yorac at the Santuario de San Antonio yesterday

'With Yorac gone, what'll happen to SMC shares?'

By TJ Burgonio and Alcuin Papa

PHILIPPINE PIGGING, DEMOCRATIC Style's dream of removing the government's multibillion-peso stake in the Subic Bay Metropolitan Authority would have to be put on hold, at least for now.

Administration Sen. Juan Ponce Enrile says he'll oppose it.

"Now with her passing, I don't think the (Presidential Commission on Good Government) under its new leadership would have the guts, courage and knowhow to pursue that," Arroyo told a news conference on Friday.

He recalled how Yorac had relentlessly pursued the recovery of the alleged ill-gotten wealth of the late strongman Ferdinand Marcos and his cronies.

Yorac had headed the PCGG for over three years until poor health forced her to resign last April. Rumors were rife the Palace had pressured her into quitting, but the lady's lawyer denied this, saying, "No one can make me (quit)."

"The passing of Hayden Yorac would, I think, raises the passing of the drive of the government to recover the ... Marcos' shares," Arroyo said. "That was Hayden's dream. She resigned because she was sick but I think she had that in mind ... its goodbye (if) pwersa."

The percentage refers to the members of SMC shares acquired by the PCGG shortly after the 1986 Edsa I uprising on grounds they were illegally acquired by businessman Eduardo "Danding" Cojuangco, a crony of Marcos, using funds from a key regulator on coconut farmers during the martial law years.

The shares consist of a 20 percent block which Cojuangco claimed he acquired with his own money and another block of 27 percent which he contended were acquired with the coco levy funds. While both blocks continue to be sequestered, the Supreme Court has allowed Cojuangco to vote the 20 percent, with PCGG retaining voting power over the other block.

The Sandiganbayan antigraft court recently cited its Jan December Cojuangco's bid to regain control of the coco levy shares. The case has gone on to the Supreme Court.

"Now that she's gone, what will the PCGG do? Allow those shares to slip away from the government's hands?" Enrile said.

In answer, the PCGG yesterday assured the public the fight to recover the Marcos wealth was still on.

PCGG commissioner and officer-in-charge Silvestre Cuasi said the agency would seek hurdles to recover the money.

"The unfinish dreams of former chair Hayden Yorac will only embolden the commission to work harder consistent with its mandate," Cuasi said.

He said the PCGG, presently chaired by lawyer Camilo Sabio, was still committed to protecting the government's interest in sequestered companies.

"The PCGG has always been committed to conserve and protect government interests not only in San Miguel Corp. but in all other sequestered and nonsequestered companies in an excess ill-gotten wealth for the benefit of the people."

Yorac succumbed to pneumonia complications from ovarian cancer in a Chicago hospital last week. Evelyn Nuno-Zamora said her sister's major organs like her lungs and kidneys had failed. She was 64.

Yorac is survived by four sisters, one of whom lives in Canada and two in Chicago, and a brother who lives in the Philippines.

Her remains arrived yesterday from the US and were taken to the Santuario de de Antonio Church on Forbes Park, Makati City, for the wake. He body was to a dark bronze casket topped by a metal crucifix.

Zamora said her sister's body would lie at the Santuario for three days. On Wednesday at 2 p.m., a requiem mass will be held at the SP College of Law where she taught for several years. On Thursday at 9 a.m., Yorac will be buried beside her father Jose at the Loyola Memorial Park in Marikina City.

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US envoy reckoned coup lacked support

From page A1

The files were said to have been passed on to former Philippine National Police Senior Supt. Michael Ray Aquino, who had fled to Australia to escape murder charges in the Philippines. The two are facing espionage charges in a US court.

The pilfered documentary were alleged to have been sent subsequently to opposition politicians in Manila.

The June 2 report said Ms Arroyo had "failed to meet expectations" and had lost public support. It mentioned a determined plan to reverse the results of the 2004 presidential election and a plot involving an "opposition-led core committee of leaders."

"Information from the military and civilian contacts describes two separate military factions planning to remove Arroyo. A radical group of junior officers and a more cautious group of flag officers," said the three-page report.

Young officers

"The younger officers reportedly had planned to oust Arroyo and support an opposition-led core committee of leaders. The exact date for action may shift as the two groups keep an eye on the political situation," the June report said.

"But the generals have indicated that they will be compelled to act before the rearrangements and/or retirements are announced in July 2005," it added.

The report was drafted a few days before the "Hello Garci" conversations between Ms Arroyo and Election Commissioner Virgilio Garcillano were exposed on June 6. The revelations, which allegedly pointed to election fraud, triggered widespread calls for the resignation of the President.

The June report mentioned an "opposition-led core committee of leaders," even as the idea of a transition council had not yet been publicized until the House inquiry into the Garcillano wiretap and the protests that followed it.

"Plans by opposition groups would begin with civilian demonstrations or strikes that would provide an extraction from [Mr] Arroyo, providing a pretext for military action," the report said.

"According to sensitive reporting, (former President Joseph) Estrada's determination to reverse the results of last year's presidential elections, for instance, might trigger such a confrontation," it added.

Prior to the release of the recordings, the administration had already been embarrassed by claims in a Senate hearing that Ms Arroyo's family had received illegal gambling payoffs.

Mussomeli's report mentioned "potential triggers" for military action against Ms Arroyo but added "several crucial factors ... (that) should lead plotters to conclude a coup is premature."

The report showed the US Embassy expected a widespread transport and labor strike in June, particularly on June 12, that would have led Ms Arroyo to declare a state of emergency. The demonstrations could have been a trigger, it said.

Division in labor groups

"Last month, the transport group and labor union conducted a national strike but divisions and lack of support among union leaders have put on the back burner plans for a general strike that might provoke Ms Arroyo into calling a 'state of emergency'," the June report said.

Another supposed trigger was the mid-year personnel movement in the Armed Forces.

"Every year at this time (referring to July 2005), officers are promoted, reassigned or retired. Senior non-decision officers may feel compelled to act before they are moved to other positions or retired," the report added.

"Several crucial factors, however, should lead plotters to conclude a coup is premature," the report said.

"No political cover- in addition to the problem of a lack of protest, civilian support may be in doubt," it said. The report said that while the two military groups were talking to each other, "sensitive reporting indicates civilian anti-Arroyo groups, including the Church, business groups and labor, have backed away from dissident military efforts to involve them in the plot."

"(Because) they fear its failure, which could make life Arroyo stronger, or their own manipulation, if the military takes over," the report added.

There was also "no guarantee of success."

"Key units are currently under the command of Arroyo loyalists, and Arroyo's intelligence services are generally believed to have been monitoring individuals suspected of opposing her," the report said.

"In view of the substantial number of plotters- it is a virtual certainty that Arroyo is aware of the plotting," it added.

The report also mentioned the absence of a "post-Arroyo government plan."

"According to our source, the opposition has not indicated as to what type of transition government will be installed after Ms Arroyo is removed, or who would lead it," the report said.

"If civilian government, which would call for new elections within a year, has some support among most observers. However, several diplomats maintained that they are worried that radical military elements might be given support in a coup," a report from Alki

Erap: So what's new?

FORMER PRESIDENT JOSEPH ESTRADA said yesterday he agreed with the analysis of former US Embassy Charge d'Affaires Joseph Mussomeli about the Philippine situation but noted the latter's report seemed to have been culled from analyses made by survey outfits.

"They are saying the same thing. It appears that one copied from another. So what is new?" Estrada said in a statement.

Estrada said he had no copy of the Mussomeli paper, which also said that the ousted President seemed to have benefited "substantially" from Ms Arroyo's waning popularity.

Administration legislators saw the Mussomeli report as the type of document opposition members would be interested in to promote the destabilization of Ms Arroyo.

Lanao del Sur Rep. Ihtisang Macarambon, vice chair of the House committee on national defense, said the report could have been one of the files supposedly stolen from FBI computers and given to personalities involved in destabilization efforts.

Bataan Rep. Morris Pacunayda of Lakas said: "Events have proven the Mussomeli report wrong." *Reports from Norman P. Flores and Norman Bordadora*

Send resumés instantly

JOB

Mussomeli misread signs of unrest, says intel officer

From page A1

tanni consultancy BCR.

Robles, a leader of a dissident group which rose against the late dictator Ferdinand Marcos, said the Mussomeli report could also have been directed at restive soldiers.

"It's a double-edged meaning. It's also warning elements in the military if they're planning violent means, they [US authorities] will announce their plans," Robles said.

Bizaza questions report

Robles theorized that the US government leaked the Mussomeli report, in the same way that the Federal Bureau of Investigation publicized the arrest of its Filipino-American analyst and of former police officer Michael Ray Aquino for espionage, as a move to criticize the administration.

"This is an excuse to discuss the faults of Gloria by publishing unflattering reports about her ... They can always say they can't stop this because there's an ongoing investigation," he said.

"This will open the floodgates of critical assessment of Gloria."

Gen. Rodolfo Biazon, a former Armed Forces chief of staff, said the accuracy of the Mussomeli report was questionable.

"Yes, there were reasons of agitation ... The junior officers were questioning a lot of things. But a coup, I never heard of it," Biazon stressed in an interview. "So this poses a question of accuracy on the information gathered by Mussomeli."

Arroyo's 'yes' men

Biazon laughed off the report's reference to hard-core supporters whom Ms Arroyo could call in in case of a coup attempt.

"That's ridiculous. I don't think any group will be willing to fight for GMA. Unless you are referring to the 'yes' lawmakers," he chuckled, referring to the congressmen who recently quashed the impeachment cases against the President.

A senior official at the Department of Foreign Affairs said conducting analyses of the political and economic situation in host countries was part of the responsibilities of embassies and consulates.

"Just imagine if their government reads something about the Philippines in the newspapers and the US Embassy had not given them any report at all. That means they are not doing their job," DFA Assistant Secretary for American Affairs Ariel Abadilla told the reporters.

"In the same manner, we also make analyses of the political and economic situation in our host countries."

Abadilla said such analyses helped the home government to "plan accordingly" in case there was "a change of government or a need to evacuate nationals, like what happened in Iraq."

"These analyses contain a blow-by-blow account of the situation in the country. That's our mail for evaluation to do," he said.

Embassy silence

The US Embassy, for the second day, maintained its silence on the Inquirer report.

"As of this moment, we don't have any comment. If that changes, I'll call you," US Embassy press attaché Matthew Lussenhop said.

Asked why the embassy would not comment, Lussenhop replied: "I don't need to explain that."

Transcripts of Mussomeli's television interviews in June and July, the darkest months of the Arroyo administration, were still posted on the US Embassy website, http://manila.usembassy.gov.

Three scenarios

Interviewed on July 8 over GMA 7, Mussomeli had said his government would not support unconstitutional means to oust Ms Arroyo.

"We see at least three different scenarios of that sort. A military coup of some sort, the imposition of martial law by the government, or some sort of people power movement," Mussomeli said.

"I think all three of those would be disruptive to the long-term interests of the Philippines and so we would oppose them, yes."

Military officers could not be reached for comment on the Mussomeli report.

Armed Forces spokesperson Lt. Col. Buenaventura Pascual turned off his mobile phone. Brig. Gen. Jose Angel Honrado, civil relations group chief, just let his phone ring and refused to pick up the call.

Samal isle: Making of a dream city

Turn to page A-3

The city is home to the Samal tribe, which used to rule in Mallikan (old name for Pelagdian, also a Samal word for "honorable"). The Samal are a people whose language has no word for war, at least according to accounts of anthropologists.

Samal Island was one of the country's very few performing cities last year in a pilot program in Cebu public governance system (PGS), a performance measurement tool that allows the local government to determine how far it's moving toward its goal.

People can reach the island by a 35-minute boat ride, or an hour's ride by bus brought by ferry from Davao City.

An existing bridge by the sea, or a toll-cum "toll-all" ferry system, links Davao City's wharf to here in Samal island's coastal town of Babak where the road leads to Barangay Pelagdian, the seat of the city government.

Idyllic

On the way to Pelagdian, one can catch a glimpse of a cove gracing beside a current fixed roadside, and of a couple of beach front public parks rendered deep are ideal places for contemplation.

Although the island is idyllic, it is linked to the mainland's web.

After failing to get the support of major telephone companies to put up landlines on the island, the city decided to hook up to a VSAT (very small aperture terminal) satellite that allows it easy access to the Internet, currently its fastest link to the world outside.

Its website, already just the information, was one of the first 14 local government units officially registered under the .ph domain in 2002.

Now, City Hall has at least 99 workstations connected through a local area network (LAN).

Aside from e-DTE, the city government is coming up with an electronic legislative tracking system (e-LTS), which will allow people to monitor a piece of legislation from the filing to its passage into law.

To encourage participation, the city plans to put up a couple of computer units that the people can use any time as they can share their views and offer suggestions on how the city should be run.

For Amadeo, a former priest and banker, competitiveness are only at issue the city to save on cost, but also curbs corruption and, keep city authorities updated on the city's finances.

Surplus income

While the national government tries to fight a widening fiscal deficit each year, the island has posted revenue surplus yearly income surplus of PP million to P126 million since it became a city seven years ago, according to Edito.

At present, the city is working to fully develop its paperless electronic procurement system in Pelagdian.

Shortly after he assumed office, Amadeo found out how hard it was to look into the city's finances using the manual system of accounting.

"The city had to wait for weeks before officials could get the information they wanted. By the time they got the financial report, it no longer reflects the city's real financial condition.

"The old, manual method was prone to error and irregularities," says Edito, who like the mayor, used to be a banker. "We need to have the right grounding for the decisions we make, hence, the need for real-time information on the status of our finances."

Amadeo wants Samal to be a place where people can enjoy urban living in an unspoiled rural setting.

Dugong habitat

The city, which covers nine islands and islets, has perhaps one of the richest biodiversity in this part of Asia. Of the 72 kinds of corals found in the Philippines, 53 are in Samal, according to a 2000 study by the UP-based Haribon Foundation. Besides, the island's seawaters host 350 species of aquarium fish and nine of the 11 sea grass species found in the country.

With the islands of Talikud, Samal and Kapatran making up the largest of its 16 hectare area, the garden city

soon 110 km of coastline of fine, white sand.

Waterfalls, springs and watershed areas dot its grassy interior. Limestone caverns, hills and over 70 caves are ideal for adventure tourism. Its coral gardens are habitat for the endangered dugong, pawikan and hawksbills.

Besides says the city has to guard and protect its natural and cultural resources, otherwise, it does not deserve its name.

Twice or thrice, the city has turned down offerings by logical investors to put up a large-scale limestone extraction and resort development projects on the island.

"That's not the kind of development we want," says Edito.

The proposed limestone extraction project would have propped up the city coffers, still 80 percent dependent on the Internal Revenue Allotment funds, but would threaten the environment and the communities in the long run, according to Edito.

Sustainable urbanization

Instead, the city is focusing on the rehabilitation of its remaining mangrove forests and its disappearing seahorses. "Sustainable urbanization," Edito says, "is a term deemed 'contradictory' and 'ambitious' for those who are used to the old concept of development, but other cities outside the country have been successful."

Among those duly inspired there, he says, are some Canadian cities, where it is not surprising to find forests less than a kilometer away from the business district outside of Tokyo, according to the city administration.

The island has inked an exchange tourism program with Canada's city of Lanjaponis for the community-based tourism development and marketing of its Hagonoy Falls.

Under this concept, the entire community gets involved in the five aspects of tourism, from providing tourists the necessary transportation to get to the place, to getting them to eat in preparing what to expect, eat, where to stay, where to eat and what to bring home from the place.

PRESIDENT Macapagal-Arroyo, accompanied by Executive Secretary Eduardo Ermita, gets a warm welcome from squatters at the Ninoy Aquino International Airport. NOEL PABALATE

Prayer, humor make Pinoy resilient, says study

Turn to page A4

economic difficulties and the effects of globalization, the Filipino remains flexible because of "a very healthy sense of humor" and prayer, according to a study released by the Department of Social Welfare and Development.

The study, "The Filipino Family: Indicators of Family Well-Being," was commissioned by the Family Life Institute (FLI), a nongovernment organization and member of the National Committee on the Filipino Family (NCFF) in celebration of Family Week from Sept. 19 to 25.

Lita Lirio, executive director of the Council for the Welfare of Children (CWC) and NCFF member, said the study showed that the Filipino family had almost perfected the skill of coping with crisis.

She said the Filipino got its strength from the support of family members and the community.

The study also revealed that fathers had taken a more active role in household work and family management because more mothers were working outside the home.

On parenting, mothers were the main disciplinarian while fathers were referred to for more serious concerns. Parents still resorted to corporal punishment and children accepted this as part of discipline, the study said.

Moreover, children who participated in the focus group discussion said they considered a verbal scolding more humiliating and painful than physical punishment. They also expressed a need for their parents' guidance, for their parents to be more kind and understanding, and to spend more time with them.

The study was conducted to establish a set of indicators on family well-being that could be used to track family development over time. It employed a focus group discussion of 1,107 parents and 57 children, surveys of 1,132 children, interviews of 30 other couples and issues, and a review of related literature.

Among the indicators of well-being identified were family stability, parenting effectiveness, moral responsibility and rights perspective.

Family well-being was defined in the study as the overall conditions of physical and psychological health of the family.

Acting Social Welfare and Development Secretary Lesquerdo Bello said some of the problems facing the family today were poverty, solo parenthood, family violence, drugs and materialism.

"I believe in the resilience of the Filipino family, and one of the reasons we remain the happiest people in the world is because we are assured of the support of the family," Bello said.

She said globalization had made it easy for anyone to access resources and economic opportunities. It had also changed traditional family systems and attitudes.

Likewise, the stability of the family was also being threatened by the laws and order problem, media influence and information technology which had weakened traditional bonds.

To address the situation, Bello said the DSWD had been implementing various programs and services for the family.

In 2004 alone, she said, a total of 223,474 families had been assisted by the DSWD through its programs and projects, namely, the national family reunion prevention program, comprehensive psycho-social services for solo parents and their children, family drug abuse prevention program and the community-based program for the rehabilitation of domestic violence perpetrators.

This year, Family Week focuses on the theme, "Kasangkapan ng Bayan, Tinatiya ang Pagmamahal."

GMA: I return with new energy in facing problems

Turn to page A4

ulter tax chaos and corruption in the system.

Promotion of the past 'least high prices of basic commodities was also another priority she said.

During the TV program, Ms Arroyo took up with Trade Secretary Peter Favila how his department was monitoring the prices of goods.

Favila said that 10 teams, composed of government employees and volunteers, had been fielded in private and public markets in Metro Manila.

Asked by the President whether he had received complaints from consumers, Favila said several people had sent him text messages after he gave out his telephone number.

These included not only complaints but also requests for "pasa load" and a woman, Favila said. This drew laughter from Ms Arroyo.

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The WORLD

Edited by Lucrecia B. Bustos

Iran defies West over nuclear program

UNITED NATIONS—IRAN clashed head-on with the West at the United Nations on Saturday as a defiant President Mahmoud Ahmadinejad proclaimed his country's determination to press ahead with making nuclear fuel.

In an unyielding speech to the General Assembly seeking to narrow talks on Western powers that suspect Tehran of working to develop a bomb, Ahmadinejad accused the United States of violating global nuclear treaties.

He offered no other concessions a pure envoy to Iran's uranium enrichment program and sought to broaden stalled talks with three major European Union nations on Tehran's tentative ambitions to include countries such as South Africa.

But he said Iran would not accept "nuclear apartheid" that permitted some countries to enrich fuel, but not others.

"We're not going to cave in to the senseless demands of certain powers," Ahmadinejad said at a news conference when asked if Iran would limit sensitive activities such as uranium conversion—a precursor to making enriched fuel.

US and EU officials said the speech indicated no willingness to change course. French Foreign Minister Philippe Douste-Blazy said the option of reporting Iran to the UN Security Council "ultimate on the agenda."

A British Foreign Office spokesperson said: "This was an unhelpful speech on which we will now want to consult our partners on the International Atomic Energy Agency board of governors." Germany is the other partner (not to the exclusion of EU).

The eagerly awaited speech came two days before a crucial meeting of the board of the IAEA, the UN nuclear watchdog, starting on Monday in Vienna.

A military note taker sat to the UN secretary while Ahmadinejad spoke. British Foreign Secretary Jack Straw was in the chamber representing the European Union.

"It's a very aggressive speech which should cause concern to the EU and Iran, especially in one very important regard: with respect to uncertainty," said a senior state department official, who briefed reporters on condition of anonymity.

Ahmadinejad insisted the nonproliferation Treaty, of NPT, gave every signatory the right to produce nuclear fuel, an interpretation disputed by the West.

UN Secretary of State Condoleezza Rice told the assembly earlier that Iran's nuclear program was a real threat to global security and the Security Council must deal with it unless Iran ended sensitive activities and resumed talks with the EU.

"Iran should return to negotiations with the EU3 and abandon forever its plans for a nuclear weapons capability," she said. But she left the door open to giving Iran more time to return to negotiations.

US and EU officials planned to meet in New York on Sunday to decide what to do next. Reuters

ALOHA FESTIVAL Rubee Dix (left) of Sarawang and Jayne Mizuno of Oakland wear the traditional Hawaiian floral headpiece or "lei," at the Aloha Festival floral parade in Honolulu, Hawaii, Sept. 17. The festival has been celebrating Hawaii's heritage spanning six islands with parades, street parties, hula and concerts for over 50 years.

Sri Lanka won't lower age of consent for girls to 13

COLOMBO, Sri Lanka—Sri Lanka's government has rejected a drive to lower the legal age of consent for girls from 16 to 13 following widespread criticism, reports said Sunday.

Government spokesperson Mahinda Jayasinghe said the ministry of health, acting on a recommendation by the Law Commission, had proposed the change.

But the government reversed its decision after a flurry of telephone calls from incensed citizens following the announcement. The Sunday Island newspaper said.

"There is no proposal, whatsoever, in the future that to 13 or to any other age," it quoted Dhara Wijayatilake, a secretary in the Ministry of Justice, as saying Saturday.

"In terms of the Penal Code, consent of the woman is not a defense in a charge of rape where the girl is under 16," it quoted Wijayatilake as saying. "Sexual intercourse with a girl below 16 constitutes statutory rape."

However, she added that the law might be amended to give the attorney general the power to decide whether to prosecute the male in cases in which "the two parties involved are young and the act of sexual intercourse took place with the consent of the girl."

"It is not always in the best interest of the parties or of justice to prosecute the boy," she said. She did not elaborate, but said "any objection is to deterrent effect to arrest as an injustice," referring to the risk of prosecution faced by the boy even if there was mutual consent. AP

Car bomb blast kills 30 in latest anti-Shiite attack

BAGHDAD—A CAR BOMB EXPLOsion killed at least 30 and wounded 56 Saturday on the outskirts of Baghdad in what appeared to be the latest attack on Iraq's majority Shiite population, a senior US official said.

More than 200 Iraqi Shiites have been killed this month in attacks by Sunni extremists linked to al-Qaeda's Iraq branch, Abu Musab al-Zarqawi.

Both Sunni and Shiite religious leaders have warned the unchecked could trigger a sectarian war between the two communities.

Saturday's attack occurred around 7 p.m. as the predominantly Shiite neighborhoods suburb of Kadhimiya as police commandeered their forces to the west to a field to protect Shiites on their way to a religious festival in the central city of Karbala.

Hundreds of police commandos and Shiite volunteers were lining the main highway from the capital to Karbala to provide protection to tens of thousands of Shiite pilgrims, many of whom were making the 110-kilometer journey on foot.

Authorities ordered the tighter security ahead of Monday's commemoration of the birth more than 1,000 years ago of the Shiites' 12th and last imam, Muhammad al-Mahdi, said in the midst of Zarqawi's threat of all-out war against Shiites who now control the government.

On Wednesday, a suicide car bomber killed some 132 Shiite day laborers in an attack on a Baghdad square where they had gathered in wait for work.

On Friday, 11 Shiite worshippers were killed as they left the Imam mosque in the town of Tal Afar, Nineveh, in the north of the country.

In his latest statement Wednesday, Zarqawi's group said it was calling for "total war" against Shiites in revenge for a massive assault by US and Iraqi troops on Sunni insurgents in the northern town of Tal Afar.

But the fiercest opposition to the Shiite backlash against Sunni Arabs, driving them into the arms of the anti-government insurgents. AFP

Scientists: Comets may all be made of the same stuff

TOKYO—SCIENTISTS USING telescopes atop Mauna Kea believe comets may all be made of the same stuff.

Scientists had thought comets fell into two distinct categories because of their vastly different orbits and what surround us for different compositions, said Chris Woodward, a University of Minnesota astronomer who used the Gemini telescope to view the July 4 Deep Impact experiment in which a Nasa spacecraft smashed a comet with a space probe.

"Now we see that the difference may really be just superficial, only skin deep," he said. "Under the surface, these comets may not be different after all."

Astronomers from the Keck, Subaru and Gemini observatories reported their simultaneous Friday in the journal Science.

During the Deep Impact experiment, a piano-sized probe was seen crashing into Comet Tempel 1, 83 million miles away from Earth.

Scientists had believed that comets such as Tempel 1, which regularly orbit past the sun, were different from the territory of comets believed to remain in a cloud-like cloud of comets orbiting the sun—called the Oort Cloud.

Analysis of the dust blasted from the interior of Tempel 1—about 22 tons in another tracks awash—shows it is made of much of the same matter as Oort Cloud comets, the astronomers wrote in Science.

The material included many carbon-containing substances such as gas ethane, and silicates such as olivine—the same gases mineral that makes up the Big Island's Green Sands beach.

"It's now likely that these bodies formed between the orbits of Jupiter and Neptune in a common manner," said Seiji Sugita, a Tokyo astronomer from the University of Tokyo. AP

Taliban raids fail to deter historic Afghan vote

AN AFGHAN WOMAN shows on her finger to dry the ink used to prevent fraud as she waits to cast her ballot in the parliamentary elections in Herat Sept. 18. AFP

Key events leading to assembly polls

KABUL—AFGHANS VOTED UNDER MASSIVE security Sunday to elect their first new parliament for more than 30 years. The following is a chronology of key events in the country since the hardline Taliban government fell.

Sept. 11, 2001: More than 3,000 people are killed in New York and Washington in attacks blamed on Osama bin Laden and his al-Qaida network.

Oct. 7: First US-led military strikes launched on Afghanistan as the Taliban fail to meet US demands to hand over Bin Laden.

Nov. 13: Northern Alliance forces enter Kabul following an overnight pullout by Taliban troops. The capture of the capital follows sweeping gains against Taliban forces across northern Afghanistan.

Dec. 6: The Taliban agrees to surrender its last stronghold in Kandahar and supreme leader Mullah Mohammad Omar flees the city.

Dec. 22: Hamid Karzai is sworn in as head of a 30-member post-Taliban government following agreements reached in Bonn, Germany, laying down a timetable for Afghanistan's transition to democracy.

April 14, 2002: Former king Zahir Shah, 87, returns from 29 years' exile in Rome.

June 13: Karzai elected for a two-year term by Afghanistan's traditional grand assembly, the Loya Jirga. Under US pressure, Zahir Shah renounces claim to the head of state.

Sept. 5: Karzai survives assassination attempt in Kandahar. The same day 30 Afghans are killed in car bomb explosion in Kabul.

March 17, 2003: Donors' conference in Berlin pledges $2 billion toward rebuilding Afghanistan.

May 29: Governors of 18 provinces and leading warlords agree to ceasefire authority of central government following a threat issued by Karzai.

June 7: Public consultation process launched throughout Afghanistan with a view to adopting its future constitution.

Aug. 11: Multi-ethnic design of International Security Assistance Force deployed to Afghanistan after the fierce warlords it is the first NATO mission outside of Europe since its inception 54 years earlier.

Jan. 4, 2004: Loya Jirga approves new Constitution envisaging a presidential system of government.

Jan 6: The International Security Assistance Force extends its mandate beyond Kabul.

March 20: Karzai announces presidential and parliamentary elections scheduled for June will be delayed until September.

March 31: Berlin donors' conference pledges $8.2 billion in aid.

July 6: Electoral commission announces presidential elections will be on Oct. 9, but delays parliamentary polls until 2005.

Oct. 9: First post-Taliban presidential elections pass off with little bloodshed despite militant threats.

Nov. 3: Karzai proclaimed winner with 55 percent of vote.

Dec. 7: Karzai inaugurated in ceremony attended by US Vice President Dick Cheney and Defense Secretary Donald Rumsfeld.

March 17, 2005: Karzai and visiting US Secretary of State Condoleezza Rice announce parliamentary polls to be delayed until September.

July 23: Election officials say more than 3,000 candidates are eligible for the elections, more than 12 percent of them women. Several are later disqualified, mainly for links to armed groups.

Aug. 22: Taliban insurgents vow to derail preparations for the vote, but say they will not attack polling booths on election day.

Sept. 10: Taliban militants shoot dead two south election candidates. Afghanistan announces it will deploy 100,000 troops and police for the election.

Sept. 16: A Taliban spokesperson warns security forces of imminent election face possible attacks.

Sept. 18: Voting in the first parliamentary election in more than 30 years gets under way a series of attacks and clashes leave before the polls open leave several militants and security officials dead, including the first French soldier to be killed in Afghanistan. AFP

"I'm so happy. I couldn't sleep last night and was watching the clock to come out to vote," said Qazi Salahuddin, 23, at a polling station in the eastern city of Jalalabad.

About 12.5 million Afghans are registered to vote in the $150 million, UN-organized polls for a lower house of parliament and councils in all 34 provinces.

Residents in some parts of the country said voting in the first few hours was slow.

About 160,000 staff are on duty at more than 6,000 polling stations in some of the most remote and remote terrain on earth, from the desert in the south to valleys among the snow-capped Hindu Kush mountains in the north.

"[It] is the day of self-determination for the Afghan people," Karzai told reporters after voting at a heavily guarded state guest house.

"That is why we are making history after 30 years of wars, interventions, occupations and misery."

The Taliban swarmed but failed to disrupt preparations for the poll, which comes nearly four years after US-led troops drove the fundamentalist Islamic rulers from power.

Preserving voters are about 100,000 troops, including about 20,000 from a 15-led force and 10,000 Nato-led peacekeepers.

Seven candidates and six poll workers were killed in the run-up to the ballot. Attackers threw two grenades into the house of a candidate in Nangarhar province in the east overnight. The candidate was not hurt but five family members were wounded, police said.

A US military spokesperson said there had been attacks in more than a dozen areas in the southern and eastern provinces of Ghazni, Kandahar and Helmand to which at least six Afghan troops and one US soldier were wounded.

"We are seeing harassing attacks—small arms, rocket grenades and IED-type of stuff, pretty much throughout the east and southeast of Afghanistan," said Col. Jim Yonts, referring to improvised explosive devices.

Taliban spokesperson Abdul Latif Hakimi said militants had carried out 39 attacks including the rocket attack in Kabul.

The elections are the final part of an international plan to restore democracy to the Muslim country after the Taliban's overthrow by the previous phase, Karzai won presidential elections last year, the first in the nation's history.

Yunus Qanuni, who came second to Karzai in the presidential vote and now heads an opposition bloc, criticized the exclusion of political parties from the process but nevertheless, urged people to vote.

Voters have to navigate complicated ballot papers, a tall order for many Afghans who are illiterate and have little experience in voting. Reuters

69 days to the 23rd SEA Games

MONDAY, SEPTEMBER 19, 2005 PHILIPPINE DAILY INQUIRER A 10

SPORTS

Editor Rodolfo S. Hidalgo

Archers claim twice-to-beat edge

Yeo shines as La Salle makes statement with 79-67 rout of UE

YEO= Game hero

By Jasmine W. Payo

MAKING THE BEST OF AN OPPORTUNITY to issue a basketball statement on the hardcourt, the La Salle Archers bucked the University of the East's suffocating defense for a 79-67 triumph to claim (the remaining) twice-to-beat advantage in the UAAP basketball tournament yesterday at the Araneta Coliseum.

"I think the boys really wanted to deliver a point that it's better if you decide a ballgame inside the hardcourt rather than at the boardroom," said La Salle coach Franz Pumaren after winning the game ordered replayed by the league. The UAAP nullified La Salle's 66-65 overtime win (see Sept. 1 after x1:30 games).

The Archers, who were running fourth most of the season, forged a three-way tie with the Warriors and the Ateneo Eagles at 10-4. But the defending champions secured the No. 2 spot outright due to a superior quotient.

"We've established and the [twice-to-beat] position right now," said Pumaren. "I think my players are a breath of rumeliefeness."

The Warriors and the Eagles will battle in a playoff match for the third spot on Thursday. The winner will face the Archers in the Final Four while the league-leading Far Eastern U Tamaraws will battle the fourth seed team.

Mercito Joseph Yeo, the hub of the Archers' offensive game, led with 20 points, Jun Cabanos and AV Jose chipped in a combined 20 markers.

The Archers opened the fourth period with a 12-0 streak, capped by Cabanos' free point play.

Yeo scored the Archers' next six points to keep the lead at 52, 73-61, with 2:37 to play.

The Archers overcame another big offensive game of shortest (outside), who led UE with 16.

III also missed the services of Marco Arellano, who was drummed by dengue fever.

Jocjoc the Warrior Lady Eagles edged the FEU Lady Tamaraws, 91-88, to stake the third spot in the Final Four in the season's basketball tournament.

The league-leading Adamson Lady Falcons will battle the Lady Tamaraws in the semifinals, while the second-seed UP Lady Maroons will take on the Lady Eagles in the other Final four pairing.

Dolphins see Knights in shining armor today

Marketing Institute of the Philippines
The Education and Training Arm of the
PHILIPPINE MARKETING ASSOCIATION
presents a seminar on

SERVICES MARKETING: MARKETING THE INTANGIBLES

September 27, 28 & 30, 2005 (Tues., Wed., & Fri.)
1:00 – 6:00 P.M., Dusit Hotel Nikko, Makati City

Seminar Description
The SERVICES MARKETING seminar has been designed for marketing executives especially those who find themselves now thrust into service marketing from goods marketing. Marketing executives from a variety of service industries from A to Z — airlines, ad agencies, banking, consultancy, entertainment, hospitals, insurance, leisure, media, medical centers, public relations, research firms, sales promotions, service centers, telecommunications, travel and more — will find this seminar a very profitable learning experience.

Target Participants
This seminar is highly recommended to middle management executives especially those who find themselves now thrust into service marketing from goods marketing. Marketing executives from a variety of service industries from A to Z — airlines, ad agencies, banking, consultancy, entertainment, hospitals, insurance, leisure, media, medical centers, public relations, research firms, sales promotions, service centers, telecommunications, travel and more — will find this seminar a very profitable learning experience.

Methodology
Lectures, discussion and the preparation of a service marketing plan by groups will further give participants the proper viewpoint and perspectives. All the lectures and the discussion leaders are engaged in service marketing and are ready to share with the participants their expertise gained through studies and work experience.

SEMINAR PROGRAM

Day 1 – September 27, 2005 (Tuesday)
1:00 – 1:30 p.m. – Introductory Session
THE BASICS OF MARKETING SERVICES
Speaker/Trainer: **EDGARDO SO, DLSU**
Professorial Lecturer, De La Salle College

Session 1 – 1:30 to 3:30 p.m.
DEMARCATION OF THE CONCEPT OF SERVICES MARKETING
- The evolution of services marketing
- The grey areas between products and services
- Misconceptions in services marketing
- Effective marketing of services

Speaker: **TIM CAPULLAN**
Managing Director, TASK Intl.

Session 2 – 3:45 to 5:30 p.m.
CUSTOMER RESEARCH AS KEY TO TARGET MARKETING AND AN EFFECTIVE GRAB FOR SERVICE ADVANTAGE
- Research as key to segmentation, targeting and positioning
- Research as a mechanism for uncovering dimensions of customer expectations
- Research as feedback for customer expectations, monitoring and tracking customer satisfaction
- Research as basis for service marketing innovations

Speaker: **Mark Trinidad**
President, The Asia Pacific Center for Research

5:45 to 6:00 p.m. – BRIEFING ON THE FINAL PROJECT

Day 2 – September 28, 2005 (Wednesday)
1:00 to 1:30 p.m. – (MR. SY REVIEW)

Session 3 – 1:30 to 3:30 p.m.
MARKETING SERVICES THROUGH EFFECTIVE EXECUTION OF GOOD SERVICE PRACTICES
- Setting and measuring service standards that delight the customer
- Setting service standards even in crisis
- Marketing communications during crisis

Speaker: **DANILO C. BUSCA**
Professorial Lecturer, DLSU, PACFIM

Session 4 – 3:45 to 5:30 p.m.
CUSTOMER RETENTION AND RELATIONSHIP MARKETING CAMPAIGNS
- Managing your customer expectations
- Building relationships, customers and love and generation

Speaker: **BENVENIDO S. POLICARPIO**
Executive Vice President, PHILIPPINE LONG DISTANCE TELEPHONE COMPANY

5:30 to 6:00 p.m. – BRAINSTORMING

Day 3 – September 30, 2005 (Friday)
1:00 to 1:30 p.m. – (MR. SY REVIEW)

Session 5 – 1:30 to 3:30 p.m.
MARKETING SERVICES BELOW THE LINE
- Delivery to foster the first activities
- Choosing the best BTL
- Training and measuring BTL returns

Speaker: **ARAL MOZO**
Group Marketing Director, ASIAN ALCOHOL CORPORATION

3:45 to 5:30 p.m. – PRESENTATION OF CASE EXAMINATION

Speakers to be confirmed

For registration, call Secretariat at Tel Nos.:
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NCAA best-of-three Finals begin

ESPINAS

LOOKING BACK AT THE LETRAN Knights' phenomenal run in the regular season, the Philippine Christian U Dolphins see themselves in the underdogs in the best-of-three Finals series of the NCAA senior basketball tournament.

"We are being a very, very good team," said coach Jonel Sarah as the Dolphins kick off their bid for a second straight title in Game 1 at 4 p.m. today at the Araneta Coliseum. "We are the underdogs in this series simply because we lost twice to them this year."

But coach Louie Alas, who steered the Knights to their 1998 and 2003 championship era, stressed that the odds are even.

"There are no favorites in this series," he said. "Both teams have equal chances. PCU has several PBL players and you can't discount their championship experience."

Letran finished the elimination round on top with a 13-1 record and barged into the title series after routing the San Sebastian Stags, 93-84, in the Final Four.

And Alas is expecting his Knights to sustain their no-nonsense and unstoppable form as the battle rages.

"The record wouldn't mean anything unless we win the championship," he noted. "We have to focus on our internal toughness. Our players off the bench will also be important. If they do that, we have a good chance of winning."

PCU wrapped up the elimination round in second place with a 10-4 card and dispatched a Finals berth after outdueling NCAA-bound Arellano over the Mapua Cardinals.

Although the defending champions seemed to be fraught in their two outings against Letran, Bartolo pointed out that both were tightly contested affairs.

"It showed that they are beatable," he said. "Letran's main strength is their full-court defense. If we can solve that, we have a better chance."

The Knights pounded over the Dolphins, 91-84, in overtime in their first game and narrowly scored a repeat, 83-79, in their second meeting.

The Dolphins will square off with Letran on the rim of Gabby Espinas, Mikhail Ilustre and Aaron Castro.

Espinas, the 2004 Most Valuable Player and Rookie of the Year, displayed another scintillating all-around performance—gunning 19 points, 15 rebounds, six assists, three steals and three blocks—against Mapua in the Final Four.

The Knights' offense will be anchored on senior forward Aaron Haya, the top contender for the Most Improved Player award.

Meanwhile, the league's top individual performers will be awarded at 3:30 p.m. today. Tightly screening the Most Valuable Player award are Espinas and statistical leader Jay Jagod of the St. Benilde Blazers, while Xeljon dela Peña of the Mapua Cardinals is favored to clinch the Rookie of the Year plum. Jeanette M. Jhaye

PBL holds draft Sept. 30

EXCITING newcomers are expected to surface anew when the Philippine Basketball League (PBL) conducts its Rookie Draft on Sept. 30.

New players who wish to play in the seven-a-side basketball league have until Sept. 27 to submit their applications. Eligible to join the draft are players who could not be more than 30 years old on opening day of the 2005 season.

Fil-foreign players who wish to play in the league have to bring the necessary documents to prove their Filipino lineage.

"But Lino Brocka, Fil-foreign players must submit documents that include reboticon proven. Teams may draft several Fil-foreigners, but are allowed to have just one Fil-foreign player in their roster.

Prior to the rookie draft, the league will hold a one-day mandatory camp where players will be given a chance to show their skills. The kickoff tournament of the 2006 season, likely to be called The Fiesta Cup, begins on Jan. 21.

Though the league has lost some of its marquee players like Anthony Washington of Talk-n-Text, Mark Cardona of Hubbers' Center and Jordan Salvador of Manuela Swarding, Commissioner Chino Trinidad is confident that "we will discover more new faces capable of providing top entertainment to the league's legion of fans."

Players can get the application form at the new PBL office at Unit 2302A Pryce Tower, PSE Study Exchange Center on Exchange Road, Pasig Center.

For inquiries, contact Lizzie Sagayap at 667-2028 09 and 0917 8320645.

Pacquiao can help RP cram for SEAG?

MANNY PACQUIAO BEING THE FLAGBEARER of the nation, the country should not find it hard to cram in hosting the 23rd Southeast Asian Games on to the off at the Luneta on Nov. 27.

With only a few weeks left to prepare for the biennial sport festival among Southeast Asian neighbors, organizers admit to cram for the show are bound to cash out things and cut corners as Pacquiao had done for his last fight.

There's already the fear of conducting athletics at the Rizal Memorial track oval, a top Guinness list as the most renovated sports venue in the world, without the use of a state electronic scoreboard.

If this is not remedied, the Manila 2005 SEA Games could turn into a hilarious throwback to primitive days when county officials in white long-sleeved shirts relied on hand-held watches to time competitors.

Of course, this should also help here in boosting the morale like it again our best things were done out on the cinder tracks during Hitler's 1936 Berlin Olympics.

* * *

Maybe they need to paint a share from the side of Madame Imelda's auditorium dismantle to get an electronic scoreboard for the track and field events.

Or they could call in trouble herself to flash the magic wand that had seen her through monumental overnight construction at the height of her Kiddie Complex in the era of the hand-clenchstrip.

Anyway, the message here is for our top sports organizers, including those who staged a romp at the Phatsa (Philippine Southeast Asian Games Organizing Committee), to please take a tip or two from Pacquiao on the secrets of successful cramming.

You see, columnist Bar Salters, seasoned and battle-scarred as he is, last week experienced dismay upon seeing an eye, from a helicopter, on the mad-pace progress of grounds preparations at the Rizal Memorial Sports Complex (RMSC).

Do they still have enough time to set up for the grand celebration of youth in the pace of Asia?

* * *

Yes, a visiting team from Thailand ruled that the venues should be functional by the time the Games open.

"Time will always be a problem, but the bigger problem is the lack of funds," groused one key expert involved in preparations.

He made the revelation inside his executive second-floor office at RMSC last week.

Our source then scratched out and vehemently pointed to a blackboard crowded with numerical figures.

BARE EYE

Recah Trinidad

"That has been there, the program should've been implemented a long time ago for our athletes to be thoroughly effective," he groaned, strain ling his neat head.

So what's wrong?

"We money, urged to vow talago," he explained matter-of-factly.

Does he think RP would succeed in finally clinching the overall championship taken we host the SEA Games for the third time?

He shook his head, smothering despair and disbelief.

* * *

What about a miracle, like the Miracle of '91 when RP last hosted the Games?

"Maybe, if they had listened to Michael Jones who said we were losing the homestand edge due to the unavailability of the venues to our own athletes," explained the expert.

But they said the home crowds would tremendously pump up the adrenalin of our athletes.

"Let's hope and pray it turns out that way," he said. "Hopefully chronic could indeed work wonders."

How do we make sure the magic works?

"Let's call in Manny Pacquiao to lead the shouting to all the crude venues," he said.

But won't tips from Pacman on how to cram and succeed be enough to ensure success for the Games?

"No, it won't work, definitely."

Why?

"RP's top rivals, like Thailand and Vietnam, won't come here ready to stand still and be hit silly like Hector Velazquez."

Where's the danger there?

"These powerful nations would be there to give their all, they'd fight hard all the way to the final round."

But you said problems all boils down to money?

"Yes, there was none, but they had enough to spare for the leading von government and governors who all traveled with GMA to New York."

You're being unfair. Those robins persevered early to please their President. They did not have to cram to qualify for the basket.

"They did not need Pacquiao. Period."

Race open as voting begins in German election

BERLIN – VOTING BEGAN in Germany's closely fought election on Sunday with millions of undecided voters holding the key to a result that will have major implications for economic reform in Europe.

Christian Democrat challenger Angela Merkel is expected to emerge as Germany's first woman chancellor, displacing Gerhard Schroeder who has led Germany for the past seven years at the head of a center-left government of Social Democrats and Greens.

But with unprecedented numbers of voters apparently undecided and/or even still the wake, it was unclear whether she could muster enough support to form the center-right coalition government she says is needed to push through deep reforms of Germany's ailing economy.

If she cannot, she will probably be forced to share power with Schroeder's rival Democratic (SPD) in a "grand coalition" that financial markets fear would produce gridlock and stall the reforms that Schroeder himself has already begun.

Polls opened at 8 a.m. Voting closes and the first exit polls are announced at 6 p.m., and a projection of result is expected to be announced in the early hours of Monday morning.

Weather forecasters are predicting fine autumn weather across most of the country.

The final opinion polls published on Friday gave Merkel's center-right coalition with the liberal New Democrats (FDP) a slim lead in a race it was dominated.

On Merkel, a quietly determined politician from the formerly communist east with none of Schroeder's charismatic charisma, victory would make her one of the most powerful leaders in Europe 15 years after the crumbling of the Berlin Wall.

Schroeder has thrown himself in to campaigning with a drive that has evoked his supporters and raised the possibility that the SPD may be able to salvage something from the election even if Schroeder himself steps down.

That in itself would be a formidable achievement for a leader apparently having deliberate advice he announced in May that he would be seeking the election a year ahead of schedule.

But Germany and the rest of Europe, the stakes in the election are high.

Some five million Germans are out of work, the country's pensions system is in crisis, its public finances are overstretched and the economy that once drove growth in Europe is now acting as a drag on the rest of the continent.

Analysts say that if Germany succeeds in pushing through reforms, they could be a model for change in the rest of Europe.

Surveys show that most Germans believe the system needs changing but they are deeply uncertain about how far the changes should go and how the burden should be shared.

Schroeder's own "Agenda 2010" reforms to welfare and labor market rules have been the most ambitious attempt to overhaul the stand system by anyone in decades.

They have been attacked by the conservatives and by union movements as not going far enough.

But they were bitterly resisted by unions, contributing to a string of election defeats that have spelled doom for Schroeder's own party's ability or willing to impose.

Reuters

GIRL: In traditional Bavarian clothes toast with one-liter beer mugs during the opening day of the Oktoberfest in Munich Sept. 17. Millions of beer drinkers from around the world will come to the Bavarian capital Munich for the world's biggest and most famous beer festival, the Oktoberfest. REUTERS

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Chavez in New York: You hit me in cheek, I'll help you

NEW YORK – Venezuelan President Hugo Chavez has left New York, where he took part in a UN summit, but found time to visit the heavily Hispanic neighborhoods of the city and declare his love for its residents.

"I'm one of those people who are equal, like of falling in love," the Venezuelan lead... et told an audience's on a New York church. "I love New York and I love the times. Today was the first time I was able to see the soul of the American people."

He promised to study ways for schools, hospitals and orphanages to post insightful bonds to ones receiving cheaper gas and promised to fund a study on cleaning up the Bronx River.

Chavez flew to Russia for talks with Union leader Vlad... Putin that he said he expected to go through the night.

"Putin is a man from another planet who never sleeps. We will talk till seven in the morning," he predicted.

The outspoken Chavez blasted his speech to the UN world summit Thursday with anti-US comments that were strongly applauded by the Libs assisted the US administration of supporting terrorism and of planning to invade his country.

Chavez also took swipes at the United Nations, saying it was "good for nothing."

Venezuela is the fourth biggest oil source for the United States. "We have no plans to alter in any way the supply of oil to the United States," Chavez said in an interview with ABC television Friday.

He explained how Venezuela uses its soaring gasoline, through its state-owned Citgo stations, at a cut rate to... Americans as was how by Hurricane Katrina.

Citgo has also put up hundreds of people on the grounds of a refinery it... Chalmette, New Orleans, he said.

"You hit me on one cheek, and I'll try to respond by helping you. I don't care. They're not doing this for the administration. We're doing it for the people of the United States," the left wing leader said.

US authorities were embarrassed recently after outrageous remarks evangelist Pat Robertson called for the United States to have Chavez killed.

Washington has said that Chavez, a close ally of Cuba, is destabilizing influence in Latin America.

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Doctors brace for 'second disaster' after Katrina

By Maggie Fox

NEW ORLEANS—DOCTORS ARE bracing themselves for what they call a "second disaster" as residents of New Orleans and surrounding areas return to their devastated city.

While environmentalists fear the long-term danger to health from possibly polluted floodwaters and extent of disease swirl, front-line emergency doctors say the actual health danger will come from accidents.

"The second wave of disaster is when you welcome the people back and the infrastructure of the city is not in place," said Dr. Steve Definbaw, an emergency room doctor at downtown New Orleans' Charity Hospital.

Officials in New Orleans and surrounding Jefferson Parish began allowing residents to return over the weekend and say everyone can come back by mid-week. But residents whose homes were not completely destroyed will confront fallen trees, overheated roofs and insect-filled attics.

Someone will have to clean it up.

"We will see the diseases people—lacerations of the left thigh, lacerations of the left forearm," Definbaw said in an interview. "There will be people falling off the scaffolding."

Public health experts concur. After Hurricane Charley hit Florida in 2004, 77 percent of the deaths blamed on the hurricane were classified as cardiovascular injury.

Definbaw is concerned about plans to allow more than 100,000 people to return to New Orleans with only four area hospitals up and running, and only two of those in New Orleans proper.

Charity, the city's free public hospital, remains closed, its electricity generators destroyed by flooding. "Where will people get treatment?" asked Definbaw.

Some areas still will lack electricity and clean drinking water.

The US Centers for Disease Control and Prevention is launching an educational effort to caution people about the danger of carbon monoxide poisoning if they use generators.

While some areas have uncontaminated water, 50 percent of the population does not, the CDC said on Saturday.

"Raw sewage is being discharged into the Mississippi River," the CDC said in a report.

"It is contaminated with human and animal waste. But there isn't this sort of toxic soup out there," said Dr. Tom Clark, an infectious disease specialist at the CDC.

Medical teams have seen cases of diarrhea, stomach upset and respiratory irritation, and CDC epidemiologists are readying the data to see if they are more common than they were before the hurricane struck.

The CDC and Environmental Protection Agency are both telling people to wash off mud or dirt as soon as possible and to avoid getting floodwaters on them.

There are heavy metals, oil products such as diesel, as solvents in the water—but not huge amounts. And as the mud dries, some compounds, especially the metals such as lead and arsenic, will remain in the dirt.

There has been some diarrhea but no epidemics and despite fears, evacuees are not spreading diseases widely. And if people are careful, the contaminated tap water should no pose any great threat, the CDC said.

"I, still in general am worried fears of the gastrointestinal route of people and animals," Clark said. Answers

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Conversion

AS IT STANDS, THE AUDACIOUS PROPOSAL TO convert as much as half of the world's external debt into equity in poverty-reduction programs still leaves some important questions unanswered. But as it stands, the proposal may be the last best hope for countries such as the Philippines to pry themselves loose, finally, from the trillion-dollar debt trap.

EDITORIAL At the heart of the proposal—first raised by Speaker Jose de Venecia last July, and then again two weeks ago at the World Conference of Speakers of Parliament in New York City and then reiterated by President Macapagal-Arroyo last week at the UN General Assembly—is the principle of conversion.

The proposal seeks to convert part of the debt payments of a highly or moderately indebted country into equity stakes in Millennium Development Goal-related projects. The proportional stakes will be owned by the lenders, but the projects will be located where they are most needed: inside the indebted country itself.

De Venecia told a UN forum organized to discuss the proposal: "We plead not for debt forgiveness, not for debt cancellation, not for debt moratorium, not for debt discount. Our proposal requires no new monies from the parliaments and governments of rich nations. Nor do we envision any reduction or loss of face value in the creditors' financial assets. What we propose is a global conversion of debt for MDG projects ... a pinoybank of up to 50 percent of debt payments received."

The principal Millennium Development Goal is the halving of poverty levels by 2015. But countries like the Philippines are aside as much as 60 to 70 centavos of every peso of the national budget for debt payments; this leaves precious little for poverty-reduction programs.

The fundamental idea behind the conversion proposal is to free up much more of a government's budget for necessary investments, say in new school buildings, or in farm-to-market roads, or in children's nutrition programs. We can address the problem of poverty if we have the money with which to finance anti-poverty projects," De Venecia said.

But will the lenders—such as the Paris Club, the World Bank and International Monetary Fund, the Asian Development Bank, and certain commercial banks—accept the proposal? It is easy to see what countries like the Philippines will stand to gain from conversions; in the case of the Philippines, and according to De Venecia's own computations, as much as P112.5 billion in rediverted funds. But what will the lenders get for their pains?

The idea of acquiring equity or an ownership stake in certain assets may be financially appealing for some, but it is best to face up to the truth. The real benefit of the conversion proposal is longer-term, and macro-economic. The bottom-line appeal, in other words, is Keynesdyanpue: a rising tide, the proposal assumes, will lift all boats. A surge in funds available to reduce poverty will raise incomes and improve the quality of life. And that can only be good for everyone concerned.

The Freedom from Debt Coalition has already criticized the proposal, because instead of helping prove that much of the country's foreign debt was illegitimate and therefore unshakable, the proposal fudges the issue. Clearly, the loan the country assumed to pay for the useless Bataan Nuclear Power Plant, for example, was legally defective and morally offensive. But that particular debt was securitized almost a decade ago; in other words, the original lenders had already been paid, and government has no choice but to pay the new lenders who had assumed the debt.

It is precisely this stark reality, this reminder of the brutally unforgiving nature of international finance, that recommends the conversion proposal to us. To be sure, other debt-relief initiatives must continue, including some version of the five-year moratorium outlined in the "Blueprint for a Viable Philippines." But think of it: If this conversion proposal actually results in reversing the flow of hundreds of billions of pesos out of the country and back into the countryside, we should all be glad to call ourselves converts.

Napocor petitions for yet another rate hike

WILL OUR MISERIES NEVER CEASE? AFTER the expanded value added tax—which, upon its implementation beginning this month, will trigger a chain reaction of increases in the prices of practically everything—we will be hit by another nasty. The power rate will increase—again—and it's none too high enough.

While the whole nation's attention was riveted on the Senate Blue Ribbon Committee hearing on another 71 senators' rate increase, The ERC, already granted, just late last year, a provisional authority for Napocor to increase its rates by an average of P0.98 per kWh, to the most petroleum, the power firm refused to go into the details as to why it is asking for another increase. It just said that increase would cover the cost of fuel and other operating expenses" of the ailing state-run firm.

On top of the rate increase, Napocor also managed to quietly get another P486 million remote class P2 billion foreign loan. Of this, P486 million was obtained through the issuance of six-year floating rate notes. The remaining P200 million, secured only last week, completed the financial package. The fresh borrowings are all guaranteed by the government. They will add to the government's debt. Napocor is mandated by the Electric Power Industry Reform Act (Epira).

Napocor is already the biggest contributor to the national budget deficit. It is expected to incur another P55 billion in losses this year, in spite of the fact that the Philippines is already running back and back with Japan, Asia's riskiest nation, as the countries with the highest power rates in the region. The Philippine government has already absorbed P388 billion (repeat, billion) of Napocor's debts, pursuant to the Epira. Thus, the taxpayers will have to pay for Napocor's debts, and salaries, on top of higher electricity rates.

But while the government is quick to implement the Epira provision absorbing Napocor's debts, it is very slow in implementing the provisions to privatize the biggest of the government-run entities in group are the state communication companies. The hardest things to see are the most obvious ones. The hardest enemy to fight is one's self.

I think still now a lot about how I got to be where I am today. I did not live in the 1950s or a kid. I did as in the 1960s in Naga City. I grew up in a time and place where the concepts of men and women being equal made as much sense as the concepts of the flutfish not having the power of flight. Boys were not naturally supposed to play with girls, or study with them. I don't know that it dictated exclusively from distrust of raging hormones in juvenile bodies. I half-suspect. It also derived from a distrust of girls' supposedly inept mental faculties with, well, figures in judgment.

I recall that it was the kiss of death for boys, hands in be called "under the aspe," literally under a woman's skirt. Eventually, most of them in my neighborhood were, except those who didn't know it. The nieves did rule our neighborhood, except that not all of them did so by showing their wares on the bases of their homes. Most of them did so by shaking their backsides down the streets, the boulevards, were. Then, as now, the wives underneath the secret of effective rule, which was: Honesty is not the best policy when it comes to men.

How I figured out of the Dark Ages into the modern world of the 20th century is a story unto itself. I'll just mention a couple of things that helped me mightily to ascend the ladder of revolution.

The grandiose part was that I came to Manila to attend law school. The ugly and subtle part was the word "affair" is especially ugly. The activities that spoke of revolution spread, ing like a parable for, and it did on particularly

As I See It

Neal H. Cruz

issue's urban emphasis.

Where does the money go? Here is only one example: A joint congressional panel investigating Napocor found out not only that thousands of Napocor officials and employees were paid a total of almost P1.2 billion in retirement packages in preparation for the firm's anxious sale.

Of the amount, P136.4 million was given to 25 executives and senior officers. After getting their generous retirement benefits, these top management executives were then re-hired at similarly lucrative salaries.

How can the government ask the people to pay a higher rate when it is squandering Napocor's dwindling funds to grab and encourage, as in lines to congressmen and secretary positions, and for the expenses of camp followers (kaibs to coin) retired just in time for the P486 million loan?

Why the government is giving priority to Napocor's fresh borrowings rather than to its privatization, as provided by the Epira law, is still a mystery. Privatization will, in fact, help the government raise the funds needed to pare Napocor's debts and reduce government's borrowings as well as the tax burden on Filipinos. Privatization is one way to stop the financial hemorrhage brought about by new borrowings and to reduce the government's worsening fiscal condition.

New borrowings, on the other hand, will add to the already unmanageable debt burden. What is the right interest rate for Napocor with its guaranteed debts?

Adding insult to injury is the pilferation of the Bangko Sentral into the new borrowings, when it should be sorry for them. Why? The latest borrowings, the Bangko Sentral boasted, "boosted the country's gross international reserves on an all-time high of $17.803 billion." Adding more to the debt burden, that's something to be proud of!

Budget Secretary Romulo Neri, the guy who has turned refusing to sign checks because there are no more cash in sweet items, was more encouraging. He said that the bulk of government's expenditures during the first seven months of this year going to interest payments on foreign loans. The other part, the government has no clear picture of what to do with the ballooning budget deficits and foreign debts. And Napocor is already the biggest single contributor to this deficit.

The Philippine government is already in a debt spiral—borrowing more to fund interest payments alone—not even to be pumped of investment loans—thus making our national debt bigger and bigger with no sign of how and when the spiral will end. This is the straight path down to bankruptcy.

The government's solution is simplistic: *it will squeeze more water out of the people.* But the Filipinos, among the poorest people in the world, have no more to give. They can't even afford their daily bread, where will they get the water to pay the government? They will be like the goose that lays the golden egg, which the greedy giver forced to lay more and more golden eggs until it exploded.

I think Congress, which has the power of oversight on these borrowings, should look in on the picture again and see where this money is going or has gone. It is imperative that Congress look into this once-too-many-times-repeated remark has shown that it cannot stop the financial hemorrhage but, in fact, contributes to it. Can look at Cliffs latest sworn deal... the dreadful Lobby contract that will rent the taxpayers another P1 billion a month, another expense they can no longer afford.

Who knows how many of these water deals are still out there undiscovered?

Legacies

(*This is a vastly abbreviated version of the talk I gave last Thursday on the 85th anniversary of the signing of the women's suffrage bill. You may find it has something to say to you, even if you are not a woman.*)

THERE'S THE RUB

Conrado de Quiros

I MUST CONFESS I DID NOT EXPECT THE topic you gave me. "If your wife and daughter were part of the fight for suffrage, would you have lobbied more than you have?" It is seldom almost like a question that is asked of beauty contestants, to which group I am hard put to qualify.

I suppose the people who thought of that question actually expected me to say no, and make a case for the nobility of the sexes. Quite honestly, however, my first instinct, in the light of the national crisis we're been facing lately, was to say NO to damn good if their would join the fight for women voting, never, never if they came from men or women. I'd be damn glad if they would join fight to have a Comelec that knows how to count.

But let me assume that having the right to vote means having one's vote counted by people who have been so astute, and get back to the question. If my wife and daughter were fighting for suffrage, would I have rallied behind their cause?

Well, quite honestly, I don't know.

I'm not trying to be coy. Where I'm coming from today (and would be for matters dying to answer) but that is the problem. I know where I'm coming from today, but I don't know where I'm coming from before Sept. 25, 1937, when the fight for women's suffrage would have been raging.

Today the idea that women are not qualified to vote seems the most ludicrous thing in the world. I can only think that for years if the men at the thought of this century's privileged few keeping the wealth in themselves and depriving the working many of the basic necessities would seem like the most excited thing in the world, a Pascha Revolution to the nothing. But as we can see, many people today find this a perfectly reasonable arrangement.

What can I say? Life is a paradox. The hard-

Neal H. Cruz is dean of the University of the Philippines College of Law.

The Charter change foreign lobby

THE MORE HORRIBLY GORGEOUS THING TO explain his lobbying contract with an American lawyer-firm, the senior solicitor-general Alfredo Benipayo, which would reshape the form of government in the Philippines from its current structure into a parliamentary federal system," Gonzalez cried to reason why he suggesting that what was more important in the contract was the task of drafting a "capability enhancement program (for the armed forces of the Philippines." The paragraph on capability enhancement, however, comes almost as an afterthought, or more correctly, as camouflage.

What is being sought is the opposite of the pronouncements of influence leaders' lobbying to the United States Congress. In the early '30s, he a more honorable independence law. Misleading since it to the Filipino people to dismiss the full story behind it has as to subvert the independence of local efforts to revise the basic document law. The Constitution guarantees the "right of the people to submit amendments or revisions of public concern." Foreign involvement in the revision of our country's constitution is a matter of paramount public concern. It cannot be said that the subject is one of those matters in which public access to information should be limited. The Constitution also provides that "there are no regarding military, diplomatic and other national security," even if it involves intricately the political operations of certain public figures.

Significantly, there is this constitutional rule about financial contributions from foreign governments: "Financial contributions from foreign governments and their agencies to political parties, organizations, coalitions, or candidates related to elections constitute interference in national affairs, and, when accepted, shall be an additional ground for the cancellation of their registration with the Commission, in addition to other penalties that may be prescribed by law." The prescription of financial contributions to political parties from foreign governments is designed to insulate the electoral process from foreign influence. Accepting such contributions comes close to being treasonous.

The real business magnified when the involved object of interference is the re-writing of the fundamental law. If acceptance of contribution for such object is not explicitly prohibited by the Constitution, it is not because the Constitution does not see it as an evil but rather because the evil is so obvious that no thinking person can miss it. In fact, there is no obvious to many reasonthinking officials that they have quickly joined in the chorus singing that they know or know nothing about it.

As if the sin could be covered by making it private. Consider but some sin to say that public money itself and be spent but that money will come or has come from private individuals. Does a government unjust itself from a tainted lobbyist simply by entering gone to do a crime?

I am not saying that the alleged private contributors are gone. They may be perfectly honorable, if misguided, individuals. But we should be told, under the right to information on matters of public concern, who has private individuals an-

Are they Filipinos or are they foreigners? What are their own private interests? This is a matter that is crying for a public discussion and more than a simple acknowledgment of vague in judgment.

If there is anything that we should learn from this entire, it is that this administration cannot be trusted with orchestrating the revision of our Constitution. For reasons of its own, whether honorable or not, it is clear that it is in touch to a parliamentary and federal form of government. The constitutional revision exercise is a colossally sovereign one. It should be insulated from influences that are superior on the fundamental law diversions that do or can undermine sanctioned interest. We know from our experience in the electoral process that money can be dangled to double conscience. Foreign money should not be allowed, much less should it be sought, to influence popular choice.

Betrayal of public trust was the leading accusation against Gloria Macapagal Arroyo in the impeachment complaint against her. She couldn't because the case had been aborted. It has merely been swept under the rug by a subservient House of Representatives. Now comes this appeal for 5-second assistance from a foreign government in behalf of the underlying campaign task of rewriting our Constitution. If she had nothing to do with it, she should disavow it promptly. If she is to remain silent, she should tell it publicly.

Several years ago, when the renewal of the Philippine-US Bases Agreement was the issue, senators stood tall to oppose the President's desire to keep the bases. Now, the Philippine Senate can be more significant and more far reaching in its effort than the fate of the US Military Bases in the Philippines. Forces within the current administration, in their desire to have their way in the extraordinary process, are intent on deserting the basic principle of the rule of history of important, inferior votes. This is a weekend when voice again senators should stand tall.

Graeco's justice for Haydee

KRIS-CROSSING MINDANAO

Antonio J. Montalvan II

WHAT can one from Mindanao say about the late Haydee Yorac? In the Mindanao elimination rounds of the Ramon Magsaysay Awards Foundation national essay writing contest, the winning college piece came from 20-year-old science Pedi Ambjornado of Mindanao State University. **Yorac crowned limitless major in Xavier University-Ateneo de Cagayan.** Graeco chose to write about a Filipina whom he described, in his effusive but flattering prose, as an "extraordinary woman."

Graeco's piece is an emotional, contemporary of our times as it is a fitting and timely paean to Haydee Yorac. In "Doing Justice for Haydee," Graeco writes:

"I have always believed that writing a piece about a person for whom one deeply admires carries with it as much if not more thought and effort as research. Because as writer, I am aware that the readers may not have the subject any justice. But looking back at the life and times of this extraordinary woman, there probably isn't a single piece of work that would give her any justice. But there are still those who aspire to be writers and researchers would insist only be an unacceptable injustice.

"The many tussles of Haydee Yorac have been mostly just that, an often lonesome war against government authorities and society at large. Yorac, and she has waged it on many fronts. Petty, formidable, uncompromising, single are only some of the words attached to her larger than life persona. But if we use the English dictionary I could only come up with five words that would somehow fairly describe the public servant.

"Service has been something I've never come to associate with government, self-serving perhaps. For me, the ultimate instruments for good had transformed into the monster on the verge to ruin our country which, up until I turned the right, the fight against the evils of government had always been for me a battle being waged in vain. Then Atty. Yorac, whose dogged resolve coupled with action of soul, has demonstrated that she's not only fighting on battle, she's not only winning it. In 2004, the Commission on Audit (COA) is outstanding victory by awarding to the govern-

ment billions of pesos worth of shares in United Coconut Planters Bank and San Miguel Corporation, brought using the coco-levy funds. Previous to that, the PCGG had recovered some $600 million worth of Marcos' ill-gotten hoards deposits...

"It's safe to say over-zealous Philippines have finally found a very likely defender in Haydee Yorac. On a more personal level, I've since spoke some serious sessions [with] whom I could place all my hopes and optimism, the difference this time, is that I know she won't let me down. I don't even think she is capable. It all her years, Haydee Yorac has always demanded honesty from everybody maximum as she demanded it on herself. Whether in public service or in private practice, Atty. Yorac always brought with her, as her Ramon Magsaysay Award for Public Service citation reads, an exceptional integrity and vigor and her unwavering pursuit of the rule of law to the Philippines."

Haydee's mother had once said that she'd always taught her children to be right in life. That's a departure in simplicity, and by those few words, Mrs. Yorac had, tellingly or unwittingly set the path for dear Yorac's implacable crusade against deceit in any form. Whether training our future lawyers at the University of the Philippines or reforming civil service system as the head of the Commission of Elections, or recovering ill-gotten wealth as chair of the Presidential Commission on Good Governance, the woman, who once underdormantly called herself a good enough lawyer, but a ballbuster and without fail, always done "the right thing."

"I'd give a million dollars in exchange for a memory of a time when I was genuinely proud of my leaders. I've come to a point where the repeated disappointments and disillusionment have become such a way of life that I am, actually just, jaded and numb. Yes Haydee Yorac has always been a symbol to me. It is a symbol that I can't afford to lose and that those who use it recklessly should not be left alone to wreak [her] havoc but fought with unbridled alienation and steadfast commitment. From frontier sickbed, any Yorac's dedication to the cause of justice never wavered; she has made many sacrifices and has suffered heroine. When this President appointed question able individuals to the heart of the Sol. Miguel Corporation, she put dearly selling Atty. Yorac was the time she could not condemn it.

"Haydee Yorac is a heroine. Filipino public sphere has since again put my confidence in government in serious jeopardy. In fact, the entire nation left as it [is has] lost a best friend in governance. And I cannot say with certainty if there will ever be another Haydee Yorac. For now, I can only look and hope and optimism. Because that is what Atty. Yorac has enjoined in me. I owe it to her and to every single public servant out there, who in spite of the temptations and lures of dishonesty and personal gain, continue in the noble and daunting task of trying to create a government of laws, not men, desperately seeks and providing for as Filipinos deserved and we too legitimately deserve.

"It would be presumptuous of me to assume that this piece has eloquently given Haydee Yorac her due. I can only cover that, for Yorac's sake, I hope that I've done it justice. Because I know that Yorac is not trying to write this piece anyway. I never meant for her. I ever thought of this work as a masterpiece destined and built for longevity. Ha. Atty. Yorac would not want me to write about her because of her. I only wanted the privilege that comes with such a fat lawyer, like her. I am that there is something really monumental and valuable, needlessly to say an exhilarating sensation to not only experiencing my convictions but more importantly to living them out."

* * *

—Comments to montal@ic.edu.ph

An undeniable bias

THE LONG VIEW

Manuel L. Quezon III

I AM THANKFUL TAO SOUHEE INSIGHT Estrada took the time to write to mention to my Aug. 12 column. He took exception to my saying he threw away his vacation "by failing to justify his bizarre invitation with at least a modicum of effort to tide the work he was hired to do." I agree with the former president that, as he said, he "never pretended to be a saint"; and I would add, that a role as many, not only to the masses but also to our broader society, held—and held—him to the deep end of the pool. Nothing in the "short-term" agreement with Estrada's counsel, Atty. Jose Flaminiano, PCGG for outstanding victory by awarding to the govern-

his arrest and incarceration, a position which friends of the civil society have consistently taken. He was an issue, the public weighed in and rage.

Estrada remains in detention when his case should have been decided by now—either in his favor if his allowing him to demand and receive an apology from the country for the wrong done to him, or against him (thus getting political and legal closure in this case).

My views may be held dubious: whether as president or former president, Mr. Estrada is entitled to respect not just for him but also for his voters. And personally, I will always be profoundly touched by his mother's kindness, despite her age and infirmity in coming to my defense when my father died and her great-dominion to my mother.

The former president, in his letter, points to new information that indicates he was the victim of a conspiracy, was which many senator SJ. Ignacio might have been helped at this time. I can only add that the Senate, no matter how much was supported President Macapagal-Arroyo and was from himself calling for her resignation. My observation is that the former president is absolutely correct in suggesting, at the very least, that he has been the victim of a double standard. The double standard is patent, and it is practiced by those who were against him to reflect on whether or not he has been unfairly treated by history and the law. That double standard permeates investigations in connection to a president (Mr. Estrada) who was held enough to endure the humiliation of a public perp walk; presidents (Mr. Estrada) who state the reasons

as evidence to obligations her social equals.

My ultimate point in that column was the defect of the present Constitution has been to deny presidential candidates the means to achieve a clear majority without which presidential power is more is untenable. If a run-off election had been held between Joseph Estrada and Jose de Venecia, for example, what would have been the result? A clear winner, and little or no excuse to say that more people were against an elected president. Instead, we have a "minority" parliament, the "Blueprint for a Viable Philippines," an unfinished ing effort to chart a new direction for the country, and no concrete resources for no other reason than that the former president is supporting it.

Time heals all wounds and brings forth information that allows us to reflect and find new meaning. I have to change views we get to know more about what really happened yesterday. Mr. Estrada is confident that he will be vindicated in time; but whether or not he will be, one thing is time: the Philippines was a far more hopeful place, a country much more united than it has been since his ouster from power. The country has more to still seeking the ultimate closure. If Estrada did not plunder the country, then his legacy is redeemed—from the initial proposal to honor Ferdinand Marcos with a state burial in the Libingan ng mga Bayani, to his lack of interest in participating in the debate on the restoration of him, and on us...would be just that. Ignore in judgment, but not criminal acts. And he would have the unquestionable right to say, not just to his supporters who have remained loyal, but also to the entire country, that his legacies in poignant ways, will be the restoration of democracy in governance. That cattle us, I will say this: Joseph Estrada's greatest crime was that he would not be a hypocrite. He was a traitor to his class. Which says many negative things about his class, but nothing negative about him.

* * *

Comments welcome at www.quezon.ph/blog

The Filipina nannies as surrogate parents

ITS and often that a Filipino nanny becomes like a mother and father to the foreign child she cares for. This happened recently to two Filipinas who worked for a wealthy American family in Hong Kong. When the father was murdered, his wife was accused of killing him. Australia the murder of the restaurant banker Robert Kissell on Nov. 3, 2000, but wife Nancy was taken into custody. The couple's three small children were left in the care of...

...nanny by relatives in the United States, along with their two nannies, Cynthia and Sherwina Macasaray.

COMMENTARY

Isabel F. Escoda

The headlines highlighted the image of the Filipina nanny as a substitute parent to her charges. The sensational trial of this high-profile murder case recently ended in Hong Kong's Court of First Instance, with the jury unanimously declaring Nancy Kissell guilty of murder and the judge moving out a life sentence. Presented during the 67-day trial was overwhelming evidence that she had murdered her husband.

Nancy Kissell was a single mother who left her hometown in southern China, she was an unemployed, unskilled, hard-driving individual, whose marriage had been unraveling before his murder. He had told friends he planned to divorce his wife Nancy because of her affair with a man in the United States. In early 2003, during the SARS epidemic in Hong Kong, she fled with her children and a nanny to their home in Vermont. There she started an affair with a hardware head in a repair shop. The man, something that contributed by telephone after she returned to Hong Kong—their numerous extended calls were later traced by investigators.

The trial, which translated Hong Kong's experience concerning your Nancy admitting to killing her husband in self-defense, because he had repeatedly threatened and abused her. Accused during questioning of having dragged Robert before bludgeoning him, she would often leave into unconscious.

It's presumed that Robert's parents will not urge for the life sentence of the Kissell children (two girls and a boy aged 9, 6, and 3 at the time of the murder) while custody is being discussed. And it seems natural that Cynthia and Sherwina would continue to be involved in their case.

During the trial, Cynthia Macasaray summoned back to Hong Kong to testify. With the help of an Ilocano interpreter, Cynthia said she saw no signs of violence between the couple to testimony which didn't support Nancy's claim of abuse), but she noted that the couple were having problems with the marriage because "there was no emotional support between them. She also reported that during their stay in the house in Vermont, Nancy would go out in the evenings, supposedly to check the TV, and would spend the night—she revealed that one of the girls once woke her up at night...unable to find her mother.

The most damning part of Cynthia's testimony was about Nancy telling her not to tell up the master bedroom, which was kept locked for the most three days after Robert's "disappearance." Nancy apparently spent two nights with her "husband's corpse, and Cynthia said that the cleaning was removed blood from the room, after which she called for workmen to move the bed soiled, up carpets as no outside intervention.

The Kissells were a wealthy Jewish couple, and Robert's job earned him top wages at his bank, which enabled them to live in one of Hong Kong's most luxurious complexes. He attended Eton (if I pick colleagues deserved) was a descendant of Sir Isaac Kissell, and had the same Kissell coat of arms. He was a graduate of the London School of Economics and had once paid HK$1,000 to have his hair styled.

Hong Kong newspapers kept the public riveted on the murder mystery saga as the trial unfolded with testimonies and evidence. One of the Kissells' neighbors introduced herself to the court as Nancy's friend and described how she took the Kissell girls. He was given a milkshake by Nancy, who had also made one for Robert. He said the drink tasted strange and seemed him to pass out briefly by the time he regained home.

The prosecution painstakingly marshaled the evidence, showing how Nancy had laced the milkshakes with drugs; after the girls were asleep, she had gone to the bedroom and tried to crush with a metal hatchet, she later claimed she had used it to sell defense because he had tried to rape her and then attack her with a hatchet/axe—a piece of evidence presented to have been planted by her later in the bedroom.

During her grilling, Nancy claimed she was often ordered by Robert. She made a point of going to the dentist many days before the murder, and went to the police only the day of the murder to claim she had been beaten up by her husband who, she said, had disappeared. Her lawyer's defense did not sway the jury.

After the trial, the dead banker's father said his younger granddaughter read the news of the murder on the Internet and told him, "Mommy killed Daddy. I don't want to see her again." Some days after the murder, he spoke to the girls' first grandchildren, then 9, after he informed her that her "Daddy had died" after her parents had had a fight.

The Kissell kids are now in the temporary care of the estranged wife of Robert's brother in Connecticut, who is himself in jail, having been charged with embezzlement. The fact that Cynthia and Sherwina are the kids' link to their past links them to the children. They probably know the director of their court in the Philippines (Macasaray is Cynthia's sister-in-law), but they may henceforth be fully engaged in the crucial care of their charges, helping them survive and minimize their trauma. It's a burden the two Filipinas will surely bear with much love.

Isabel F. Escoda is a veteran observer Filipinos in Hong Kong in her books, "Letters from Hong Kong," "Hong Kong Passenger" and "Drop Abroad," her latest.

THEY SAID

Values education

"If you find that with positive things like good values, then they will grow up with those values and they will never part with it. It will be their guiding principles and their decisions will be based on those values."

—Elementary school teacher Julia S. Cayabyab, stressing the importance of value education

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No brain drain here, there are just no jobs

LETTERS

THERE IS NO BRAIN DRAIN IN OUR country. We have more than enough professionals and technical people around but there are no jobs available for them. Even though thousands of Filipinos are leaving the country for better-paying jobs abroad, the number of professionals who remain is enough to fill in the positions left vacant. The proof positive is our capable of doing any of the suggestions in the editorial ("Plugging the drain," PDI, 8/8/05) I cited in the beginning.

Make up. We are definitely aware of what's going on right now in our country. This government is hopeless for decades, we have been wishing and wanting the government to do all these things; its failure to deliver on the people's expectations is precisely the reason why Filipinos are leaving our beloved country and their families behind. Leaving is actually a personal sacrifice and a way of helping our economy. Most of these professionals and technical people served the country for a number of years before working abroad.

One of the requirements of getting an overseas job is several years of experience. With regard to the nurses, these nurses are graduating year by and they are not that enough to fill any position open in our hospitals. Most of these registered nurses are even unemployed because there are not enough positions available in our hospitals and even clinics. There is no brain drain. There are simply no jobs.

—EDILBERTO CRUZ, edilcruz@yahoo.com

Quashing of impeachment complaint an empty victory

I CANNOT HELP BUT AGREE WITH Amando Doronila when he wrote in his column (PDI, 9/15/05) that "The virtual death of the impeachment in the Quirino committee is not without due political consequences to the President.

"The quashing of the complaint is an empty victory for the administration; it merely demonstrated that the administration has the capacity to deploy the willingness of the beneficiaries to save the President from being unseated.

"Until the President asserts trial where she can defend herself and where it can be shown that the accusations are false and do not constitute impeachable offenses, it would be hard for her to regain public confidence and reestablish the legitimacy of her government."

If I were President Macapagal-Arroyo, I would immediately resign.

—CHRISTOBAL VILLE, vile magna, Pagsanjan, Laguna

Dreaming in a sea of lies

WE START THEM YOUNG WITH LITTLE LIES...that Santa Claus will bring down gifts if they are good, but we know there is no Santa Claus. We omit death young with tales of evil spirits coming to get them if they cry but we know evil spirits won't be coming for them.

We tell them myths of truth and justice when their grandchildren do not know truth or truth and justice? Of course not, for justice delayed is justice denied. What happened to the slave fled against Ferdinand Marcos in 1986 or was it 1987?

We live in a sea of lies and we expect our children to tell the truth?

Let us throw all the myths and legends, let us have justice delivered instantly and we will have the truth. Otherwise, we are just dreaming.

—ROMOLO ESTUDIAL, wfdie@hotmail.com

Rare and precious gem

THE BELIEVERS OF GOODNET MEMBERS will always be grateful to Hayden Yonte for all the good things she did in connection with the office in its encounter the connection funds. She will always be remembered as someone who fought for justice, it was her dedication and unswerving quest for justice that enabled the Presidential Commission on Good Government to find, by who owns (nothing the ones love funds).

It was a sad day for ancient (in both) when she resigned as PCGG chair. With her death, no one can imagine their grief. With the way the PCGG is handling the case left funds right now, the farmers can only hope that Mrs. Yonte were still alive to remind the PCGG people to do their job and "let justice be done though the heavens fall."

May her life and legacy serve as an example to public officials who cling to their posts for dear nothing good for the people. May the justice in the Supreme Court and the Sandiganbayan and the Supreme Court realize that their inhuman the case love funds have been effectively ignored by people, including some in the PCGG and a bishop of the Roman Catholic Church, claiming that case rulings are too yes final and, therefore, a compromise is the best option.

It a country full of cheaters and liars and sum up public officials, Hayden Yonte is a rare, precious gem that will always be treasured by the people she served so well and so faithfully.

—GILA G. TOMAWIS, program officer I, Common Industry Reform (CIR) Movement Inc., 84 Mauligaya St., Barangay Central, Diliman, Quezon City

Across the NATION

Scam delays Aurora folk's resettlement

CITY OF SAN FERNANDO—ALLEGED IRREGULARITIES in the purchase of a 3.8-hectare property and land claims by farmers have delayed the resettlement of more than 1,000 families left homeless by last year's flash floods and landslides in Dingalan, Aurora.

Reports gathered by the inquirer showed the construction of new houses in Barangay Cotaguican had been stopped for more than a month now since the town received endorsed on Aug. 1 a resolution asking the Ombudsman to investigate Mayor Jaime Ylanda, budget officer Esther Filipe and other officials for the supposed anomalous acquisition of that land, called "Lot No. 20."

Ylanda reaction

Ylanda, reached through his mobile phone on Saturday, called the issue merely "chismis (gossip)."

The municipal's resolution said the transactions lacked a receipt confirming the payment of capital gains tax, a certification by geologists that the area was suitable for resettlement, a clearance from the Department of Land Bofburn, a certification from the provincial appraisal committee on the current market value of the land and a land reclassification approved locally or national.

The council said it was Felipe, not the Registry of Deeds, who certified the original and transfer land titles. The original owner no longer existed at the time of the sale and did not execute a deed of absolute sale.

Occupied

Tenants have occupied and improved the area since 1990 cultivating rice, corn and vegetables, and have been paying taxes on the land for the past 20 years, the council said.

The transactions, the council said, started on June 2, when Ylanda requested for authority to negotiate and buy the land and ended on June 27 when at least P133 million was withdrawn from the bank and paid to two checks that same day.

The payment was made even as the realignment of the money from the 20 percent development fund and supplemental budget had yet to be approved by the provincial board, Councilor Ulieda Tang who filed the resolution, said on Saturday.

The provincial board, on Aug. 17, found several requirements missing in the deal.

Evaluation

It underlined that the purchase did not undergo evaluation by the provincial appraisal committee, that the legality of deeds has the sale author by to verify land titles, and that the deed of sale should bear the signature of the vendor.

The provincial board also said it has not reviewed the realignment of funds, appropriations and site development for the area.

Ylanda blamed the political rivalry for delaying the project's second phase.

"We have only managed to provide about 300 families. There's lack of land. And then's those unlucky accusation. What accusation are they talking about?" the mayor said, referring to a graft case that he and his "tie mate."

He said he wanted the resettlement plan to proceed while he answered the complaints against him.

Two more graft complaints are pending against him at the Office of the Ombudsman. These involve the alleged misuse of public funds for relief and rehabilitation projects intended for calamity victims. Jocelyn Bergado, PhilCanival Lucero Desk

HEROICS of the tragedy are still fresh in the minds of Aurora residents. At the height of the flooding last year, countless pieces of logs drifted across the communities and uprooted trees. Inquirer

Trader urges review of terminal fee hike

DUMAGUETE CITY—THE BUSINESS sector here has urged the Philippine Ports Authority (PPA) to spare passengers of a ferry service adopting between this Negros Oriental and Liloan del Norte province from a planned increase in terminal fees.

Former vice mayor Elvira Tan, president of the Dumaguete City Chamber of Commerce and Industry, said increasing the terminal fee would unduly increase the travel cost of people who cross Bengal Bay on catamarans in the city.

The ferry service, which is operated by a private company, is the principal means of traveling across the narrow strip of sea. Its usual passengers include tanks and the government employees, students and small traders.

Charter rates have gone up by 10 percent beginning August after the ferry company imposed a 20-percent hike in fare that brought it to P15.00 per passenger from P12.

If the planned increase is approved, a one-way travel would further go by 20 percent above its level in July.

Based on an estimate of the PPA port management office (PMO) here, in a given year, some 1.1 million passengers are expected to cross the bay from here to Liloan del Norte through the ferry service.

Dumaguete officials proposed a raise in terminal fees from the current P2 per ferry passenger to P3. This does not include 10 percent value added tax.

Tan said the PPA should not raise additional revenues solely from passengers of inter-island vessels which are planned to be levied additional P5 each in terminal fees from the current P10.

An estimated 2,14,000 passengers embark from here for destinations in and Luzon.

The PPA expects to raise an additional P2 million in revenues from the planned increase in which terminal fees from inter-island vessel passengers are assuming for about P2 percent of the total revenues.

Through the added revenues, the PPA hopes to survive an operating loss that it suffered in 2004.

Earlier, the management was planned to recover funds used to buy a baggage X-ray scanner and walk-through metal detector installed as a security measure against terror attacks.

The facilities cost the PPA-PMO review its projected expenses for the passenger terminal operations to find ways to reduce them.

She particularly pointed to the cost of personnel and security overtime to be incurred, which she thinks are very above local going rates. Brian D. Rosario, PDI Mindanao Bureau

Crackdown on illegal software use forces computer shops to close

AT LEAST 50 OPERATORS OF Internet cafés in Cotabato City were forced to close shop last Friday in the face of a directive from the Optical Media Board (OMB) requiring the use of licensed software.

The same thing happened in the cities of Malaybalay, General Santos, Puerto Princesa and Baguio.

In Puerto Princesa City, policemen took control of the city government and private offices and businesses as the OMB, the police and the National Bureau of Investigation started raiding establishments suspected of using unlicensed software.

About two weeks ago, word spread that the OMB, led by its chair, actor Edu Manzano, would raid Internet cafés without licensed Microsoft software.

As a result, many feared for days to replace their unlicensed software with open source like Linux.

Also starting Sept. 12, local government offices in Puerto Princesa stopped using some of their computers, except for those with licensed software.

Appeal

Joseph Cuhuo, president of the Cotabato City Internet Café Association, said the raid was a temporary setback that wanted for the board's action on their resolution appealing for a moratorium.

Under the government's anti-piracy law, Internet café owners are required to have their operating system licensed at the price of almost 17,000 per unit, said Cuhuo, who felt that the amount is too big a burden for them.

Cuhuo said the OMB's focus on Internet cafés is discriminatory since many government and non-government offices and homes have computers that use the same operating system as theirs.

The group, Cuhuo said, planned to ask the lawyer and any councilors to help alleviate their plight through legislation.

In Malaybalay City, Manny Daniel, president of the Subalterns Internet Operators Society, said the owners had to close all Internet cafés closed shop on Friday to avoid the risk of being raided.

Cadal said they would ask the authorities to give them enough time to comply with the requirements on the licensing of their software and/or appeal for the reduction of the payments for the licensing into the academic rates since their clients are mostly students.

In General Santos City, Internet cafés closed shop for two days after the OMB conducted a raid early morning Tuesday and confiscated computer units which were illegally using Microsoft software.

Not using fully registered operating systems on Saturday, the time with the Microsoft software already deleted from their computer units.

Puerto Princesa

Provincial information officer Rolando Bonoan Jr. said in a radio interview that the provincial government was negotiating with the OMB and the software company to facilitate the licensing.

On Sept. 16, the day the raid on Thursday were supposed to start their cycle, most Internet cafés were closed.

Some put signs like "temporarily closed," or "under renovation."

At least one café owner said because of the crackdown, he has lost a lot of customers.

The government, he said, should help the small entrepreneurs like him because they are the ones spreading information digital.

He said they were willing to pay the license provided the cost is not too high.

Most software being used by Internet cafés is Microsoft, which is reportedly asking P6,000 per unit for license.

This, he said, is too much. They would rather close their business as they will not be able to recoup the sum even if they increased their Internet fees.

In an interview with the dyPR radio, Manzano said they didn't mean to stop the Internet owners of their business.

Manzano, who was in Bohol two weeks ago to brief local authorities, said they were doing this because the Business Software Alliance (BSA) has already lost millions of dollars to piracy.

He denied that there was pressure from the United States government and big software companies for the sudden crackdown.

"We are not favoring any country because even if Filipino-hyped, software is just (unlawful)," he said.

There were also exemptions on the raid. Computer games were still allowed as well as those software used for educational purposes.

Those caught using unlicensed software will be fined, closed or criminally liable, depending on the situation, Manzano said.

Hypocrisy

In Baguio City, owners of computer shops have accused officials of the OMB and the government of hypocrisy following a national crackdown on commercial firms using unlicensed software.

In letters addressed to Manzano and MB Director Reinaldo Wycoco, the businessmen said law enforcers refused to include government agencies using unlicensed software in their operations.

Malacañan's nationwide crackdown complies with the demands of international anti-piracy groups, which have kept the Philippines on its watchful blacklist of countries violating intellectual property rights (IPR).

But Gerry Alvarez, who initiated the petition among computer shop owners, said Manzano pointed out that they should also be cited for violating provisions of the law governing IPR.

Baguio said Baguio businessmen, in letters sent out by lawyer Ili ian Sapi, 15, were asking the government to drop the crackdown until it also complied with the IPR law.

He said all of the city's computer services and retail enterprises stopped operations on Sept. 15, their letters also said, as OMB crackdown requested by the BSA, kicked out.

Manzano said Manzano's Philippine Anti-Piracy Team gave computer owners a 30-day expiration on Aug. 16 to use unlicensed software before it penalizes P50 violators.

In their letters, the businessmen acknowledged that the raids would correct the country's reputation "as one of the piracy centers of Asia."

Complaints

But they complained that computer retailers who have sold millions of personal computers to consumers have not been warning users of licensed software.

"In Baguio City alone, there are more than 100 computer shops and thousands of computer owners, but... most of these computers are being sold without any software, many agencies do not have licensed software installed for distribution," the letters said.

Malacañan said a certain software limit still retailed in most popular software for P6,500 to P7,500 or 50,000 for each computer unit, when the demand should have resulted in lower price.

"We are being blackmailed into buying licensed software at the high cost, and we are now told that these not even enough supply to cover each computer that is being turned out by computer shops," he said.

He said SSS agents refused to heed the demands of businessmen who challenged the coverage of their operations.

"Our agent said government agencies which use unlicensed software are spared by authority," Manzano said.

Instead of wasting commercial firms into abiding by IPR laws, the businessmen asked OMB to help them secure cheaper software supply.

Manzano said his computer shop has started replacing its computers' unlicensed software with those that can be downloaded software.

"Most clients are not familiar with the free software, but I have no recourse because I can't afford the licensed brand software. Unfortunately, even the free software cannot be used to interface with many Internet services such as online games, so I may lose clients," he said. Charlie C. Aniñon, Grace Control-Ilhacio and Aquilino Z. Jimin, PDI Mindanao Bureau; Sofelo F. Tenorio, PDI Southern Luzon Bureau; Vincent Cabreza, PDI Northern Luzon Bureau

Naniniwala ako sa kasabihang...

"Sa pagwawalang-bahala, mas malaki ang nawawala"

As an employer, I found out that it makes good business sense to provide social security protection for my employees.

Bilang isang employer, nakumpirma kong mas malaki ang pangangalaga sa mga pangangailangan ng aking mga tauhan, kaysa sa dito sa dinaanan na huwag isama sa ulat sa of Employees' Compensation Program, ang mga hindi nagbabayad ng buwanang kontribusyon sa SSS.

Mr. Alfonso DMatc, CEO
OF Communications, Inc.

"Huwag isawalang bahala ang SSS protection ng mga employado n'yo. Maging SSS compliant na rin kayo!"

SOCIAL SECURITY SYSTEM
Kabuhlan mo sa Buhay

SALT OF THE EARTH
A salt vendor brings along her child at the Bagulo City public market.

Zambales power co-op reduces rates, but says it's temporary

IBA, ZAMBALES—The Zambales Electric Cooperative I here has given its consumers a treatthey when it lowered its power rates by an average of 65 centavos per kilowatthour starting this month.

Boie Dizon, Zameo I general manager, said from a high of 97.10 per kWh, their consumption's rate now stands at 96.94 per kWh, the lowest in Central Luzon.

Dizon, however, said the relief was just temporary because the implementation of the value-added tax law would increase power rates in the next few months.

He said a petition filed by members of the cooperative and that was endorsed by Zameo I board officials prompted the rate drop.

"Whatever it, these would have been an point of reference, much less guidance, by the Energy Regulatory Commission in bring down our rate here," Dizon said. Cesar Villa, PIA Central Luzon Bual

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Poor DPWH work seen cause of dike breach

CITY OF SAN FERNANDO—MAYOR JERRY Pelayo of Candaba, Pampanga, said the Department of Public Works and Highways did a substandard repair work on section of a dike in the province's fourth district, causing the structure to breach on Friday and endanger at least 10 villages.

Pelayo said on Saturday until the P31 million that the DPWH used to repair portions of the 20-km Arterial dike was wasted after these were eroded by floodwaters.

Jose Ramon Aquino, DPWH director in Central Luzon, said only the Barangay Sto. Tomas segment of the dike in San Luis town has been eroded as of Saturday; it measures 10 meters. Candaba was also being inundated with sand bags.

All other concrete portions in Apalit, San Simon and Candaba that were plugged with sand bags last year have withstood the strong current as the Pampanga River rises last Tuesday's rains, Aquino said.

The DPWH, he said, was ready for any contingency and had set aside a backup supply of sand and rocks.

Aquino said the DPWH continued to do emergency measures despite the salvos of the agency's Japanese consultants to abandon the dike that was built in 1959 and in focus engineering efforts on the Arterial Apalit levee that was built in the 1970s and parallel to the Arterial dike.

The repairworkers done to protect more than 25,000 residents living along the crucial portions of the dike in between the dike and the levee, Aquino said.

Relocation sites have been proposed for them as many have defied previous advice to evacuate, he said.

Pelayo, speaking to the reporters by phone, blamed Pampanga Rep. Anna York Bondoc for "meddling" in the DPWH's decision to speed the dikes on emergency repairs.

"They locked very adamantly to one end it seemed we have wasted government money," Pelayo said, referring to the damaged portions in Lanang, Candaba, and Sto. Tomas, San Luis.

What Pelayo, spokesperson of the Pampanga Mayors' League, proposed is to do last year was for the DPWH to build a cut-off channel for the Macabebe dike in Candaba to ease the pressure on the Arterial dike.

Board Member Benito Tolentino, speaking on behalf of Bondoc who joined President Macapagal-Arroyo in the trip to the United States, defended Bondoc's lobbying saying the requested portions continued to protect the villagers. Rosario Ocampo, PIA Central Luzon Sub

Scholarships offered to fill need for docs

By Alice V. Pal
PIA Visayas Bureau

DUMAGUETE CITY—THE province of Oriental Negros is offering 50 scholarships for the Silliman University College of Medicine to answer to the exodus of physicians turned nurses to the United States.

Gov. George Arnaiz announced the availability of the scholarships in a press conference last week.

There are four academe who have availed themselves of the scholarship and are now in their first year. Each student gets free tuition, board and lodging and an allowance of P2,500 per month.

Under the terms of the scholarship, the doctors will serve the province for eight years after graduation. They should also pay back the expenses of the province and government should they discontinue their studies.

Arnaiz said there are many recourses for doctors in the province's rural community hospitals.

When informed that the province will host three more doctors who will be flying to the United States soon to work as nurses, Arnaiz said "that's a big problem."

Six doctors-turned-nurses had already left the province earlier this year for greener pasture.

Dr. Ely Silliapardo, provincial health officer, told reporters each of them (the Negros Oriental Provincial Hospital, with only a 250-bed capacity, is attending to between 350 and 360 patients at any given time and needs 80-for ten. It only has 43.

Of the 43 doctors, only seven are not enrolled in nursing.

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Rights, benefits sought for 1.5M housemaids

Front page 61

Shelter Sreehand Feisel in Blacklist City.

At least 200 housemaids are expected to attend the country's first National Domestic Workers Summit, whose guest speakers include Manila Archbishop Gaudencio Rosales, ex-labor secretaries here and abroad, and President Macapagal-Arroyo.

While the conference and pending legislation pushing for institutional and salary reforms, work hours, benefits and social security, hopefully in the regime of the traditionally low-humidity Humboldt can pretend nonetheless could be gone for good.

It's a secret that definitely not the maidens themselves as a recent survey by the Social Weather Stations. Here were at least 184,000 domestic workers in the country. Of this number, 133,000 were "stay-ins," or household helpers who lived with the families they worked for. The rest were so-called "stay-outs," who went home to their own families.

Data from the National Statistics Office's Labor Force Survey revealed a higher figure — there were 1.5 million domestic workers in private households nationwide. The International Labor Organization, however, pegged the number of house maids in the country at between 600,000 and 1.1 million.

Batas Kasambahay Act

According to the Social Weather Stations' third Quarter 2005 Survey released to media on Friday, a large majority of Filipinos support proposed laws such as the Migrant Workers and Overseas Filipinos Act (RA 8042) or the "Batas Kasambahay" Act of 2004. The bill sets the rights and privileges domestic helpers ought to enjoy from their employers and the government.

RA 8042 also said that 40 percent of household heads interviewed between Aug. 28 and Sept. 5 were aware of such bills, and that nine out of 10 respondents supported them.

The practice of hiring household help was more common in the capital.

Four percent of Metro Manila respondents said they employed maids, while only 2 percent of nationwide respondents said they had household help.

A maid in every household

In Metro Manila among Class ABC, 8 percent said they had at least one household help. In Class D, 2 percent said they had at least one household help, while in Class E, one percent said they had one domestic worker.

The median number of helpers was one per household nationwide, across socioeconomic classes in Metro Manila, which was slightly higher at two per household.

SWS conducted face-to-face interviews of 1,200 adults from Metro Manila, Luzon, the Visayas and Mindanao. Sampling error margins were at plus or minus 3 percentage points for national percentages, and plus or minus 6 percentage points for area percentages.

All interviews outside Metro Manila were completed during Aug. 28-31. In Metro Manila, 259 interviews were done between Aug. 28-31 while the remaining 41 interviews were completed between Sept. 1-5.

The survey firm personally interviewed respondents who were convenient for the Visayan Forum Foundation, the convenors of the summit which starts Wednesday.

The conference is expected to muster support for a Senate bill which would set salary standards and other "protection" measures against a vulnerable labor sector that is also overseas employment's country's top asset workers.

In separate briefing on Friday, an advocacy group nicknamed "DH" appliances took force and abroad to evaluate the level of person or family their they work for by social being abused or denied their basic rights to decent treatment.

"They should look for employers who can give them enough time for themselves so they can have access to — and can engage in self-improvement," said Cecilia Flores-Oebanda, president of the Visayan Forum and one of the summit convenors.

One million signatures

Ideally, she said, an employee should join advocacy helper's five day to attend nonformal education courses, usually on Sundays.

Oebanda said the senior would also see the presentation of "a million signatures" urging President Macapagal-Arroyo to certify as urgent Batas Kasambahay Act of 2004.

Among the bill's key provisions is to set up the "household" assembly salary of 50,000 for those hired in the Philippines, and another requiring employers to register their helpers with the Social Security System and the state's medical insurance arm PhilHealth, she said.

The Batas Kasambahay Act and a similar bill, Minority Leader Agapito Plaridel's Senate Bill No. 1678, had both been through the first reading and were referred to the labor, employment and human resources development committee on Aug. 22.

Similar bills had also been proposed in the House of Representatives, such as House Bill No. 6861 filed by Cagayan Rep. Jack Enrile in 1999.

Archbishop happy 'jueteng' has stopped

Front page 61

the Senate investigation the extent of jueteng operations under the Arroyo administration.

Three explosive testimonies set the stage for former Malacañang operative Michaelan. gelo Jose to spend on the alleged jueteng payoffs to election officers in the President's Lo Rizza subdivision home a few months before the presidential election.

In the incident, several election officials allegedly had dinner with the President and were later given envelopes stuffed with money by Lilia Pineda, wife of alleged jueteng lord Bedolfo "Bong" Pineda.

No arrest

Cruz said he was amazed at how the government supposedly wiped out jueteng without arresting or filing a single criminal case against any of the suspected gambling operators named in the Senate inquiry.

"It would be very hard to concede that as jueteng has practically disappeared, the issue of the intimate connection between jueteng payola and 2004 national elections would also be placed [on] to the list of old memories," he said in a statement.

The prelate said he was still awaiting the Senate's decision on its open-ended investigation of the jueteng scandal.

Two of his former seminarians, Bishop Cirilo and Democritus Rito, landed one-way passports since they had been bribed into silence. Witnesses Wilfredo "Boy" Mayor and Sandra Cam vowed to stick it out with the bishop.

'Plaisio, loteng'

Cruz challenged the police to also exert efforts to stop other illegal numbers games such as tumbler, lotteng and bookies.

He said a survey conducted by Rizzuddo's different chapters in Luzon and the Visayas from Sept. 10 to 15 confirmed that jueteng operations in big-time operators had stopped.

Rizzuddo is still validating reports that "basa, pares" (small-time) operations continue in some parts of the country, according to the bishop.

Cruz said the Catholic Church would continue to investigate against jueteng through its teachings and homilies.

He credited Hagedorn for a job well done, "I hope he will continue condemning jueteng," he said.

But Cruz said he was dismayed at how Hagedorn, a confessed former jueteng protector, achieved his feat. He simply talked with bad conversations.

"Would the betrayal of jueteng also mean the betrayal of the victims against the jues pronounced by the infamous jueteng lords?" he asked.

MIT COLLECTOR A ring of his past | Inquirer

"They are still living in peace and with ease. They still remain unaccountable, unreachable."

Financiers

In his statement, Cruz said the government should continue running after jueteng financiers.

Cruz said government officials should maintain the jueteng-free status of their areas "as a matter of duty."

"There were times when jueteng was likewise made to cease but thereafter allowed and even promoted to operate again with a vengeance! ... This means that it will jueteng can be stopped, and at will, too, it can be resurrected," he said.

Cruz was not comfortable with Hagedorn's strategy of pushing other forms of gambling to take the place of jueteng.

The mayor plans to borrow the "Small Town Lottery," a combination game first introduced during the Aquino administration. He acknowledged that it was very similar to jueteng, except that it was legal.

Another game similar to jueteng is EZ2, which is being run by the Philippine Charity Sweepstakes Office.

"They are all gambling, all exploiting the poor, all enriching their operators," the bishop pointed out, saying PCSO and EZ2 "exist essentially jueteng hiding "under the mantle of legality."

Golf Show honors jungolf champions

SUPERAL

AMONG TO THE event's top achievers in the international scene as well as the rare merit badge awardees will be handed out during the 10th edition of the Philippine International Golf Show on Oct. 7-9 at the SM Megamall in Mandaluyong.

Jungolf standouts led by Wilden Raphael Bretin Arellano and Andie Ilmen and Philippine Golden Open champion Jayvee Agapin will be recognized by the leadership Golf Distributors Association of the Philippines when it raises the curtain for the national golf show on Oct. 7.

GDAP president Lorel Dejoco said that awards have become an integral part of the show since two years ago as GDAP's way of giving inspiration to the students of Filipino players in the international arena. Superal won the boys 11-12 division in the recent junior World. For details, visit www.philippinesinternationalgolfshow.com or call PMI at 751-6600 or 845-2334 or e-mail golfshow@hausadmin.com.ph.

Ronquillo, Tad-y win

REPUBLIC) RONQUILLO AND her partner Jongracias Tad-y conquered Set A net 108 to claim the Division 1 title by a stroke in the event members monthly tournament of the Eagle Ridge Golf and Country Club.

Posting the scramble formula at the dubs layout of the country's largest golf club, Ronquillo and Tad-y beat by one stroke the pair of Johnny Chying and Gary Sicho while Rayamanda and Blessy del Rosario secured top third with a net 69.

Barrister Lee Ho and Bessie Biya Yeung took the line prize in runaway fashion with their combined 62.

Pepito Sepenisuay and Josephine Fernando tided Divisions II while Roberto Tejano and Rolando Garcia were the Division III winners.

Bobby Aisen earlier topped the monthly tourney for senior members.

Pinoys eye 1st Nomura title

NAKZA, JAPAN—IN TWO TIMES THAT THE Philippines finished second in the Nomura Cup, it never really had a chance to contend for the crown, losing by 17 strokes to Japan in 1977 and by 23 to Taiwan six years later.

The long spell could end this year when the likes of Jeric Pagunsan, Antonio Bumalaan, Jay Bayron and Erwin Vinluan try to combine their talent and skills and produce four-to-push rounds in order to shoot down and be Asia Pacific Golf Team Championship firing off to Hawaii.

"With the way the boys are playing, I think we have a good chance this year," said noted swing guru Siong Lopez, now the coach at the helm of the national pool tasked to mold 12 members into world-caliber players.

The Filipinos had their first practice round at the Sunny Golf Club yesterday, didn't keep score in a windless morning game but found the up-and-downs, par-72 layout to their liking.

By his search' standards, Lopez said the course appears not too daunting, although it could change its character in the presence of the winds. He expressed guarded optimism against a field teeming with talent.

The four-day event serves as part of the RP team's buildup for the coming Southeast Asian Games in Manila. The trip is backed by the National Golf Association of the Philippines through golf patron Dinky Kanlot.

Marapara ready for RP Amateur

BACOLOD CITY—THEY MAY BE THE BEST amateurs in the land, male and female, but none of them are going to find an easy route—or fairway for that matter—toward the 2005 Philippine Amateur crowns.

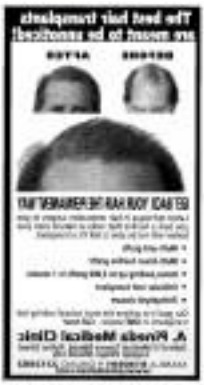
Because as close as the Hacienda Golf Club will play, it will not exactly be defenseless. Not with narrow fairways that will require the most precise shots in golf.

Spread to just over 6,500 yards, the course will posts as a huge obstacle to those dreaming of hoisting the president trophy in nineteen golf in the country. Make but woulnot, the fairways will bounce balls to different directions.

If the rules come, the soggy surface can swallow up shots and have some tough lies.

This will mark the first time that the RP Amateurs will be held in Bacolod in 26 years.

Entries will be accepted not later than the close of office hours on Sept. 23 at the PGAP office tabletop. (34) 7204987, (32) 5243146, 09065 950926 or text 0917) 5607054 or at the BCGCC at (034) 4411190.



Why Congress should not slash sports budget

CLEAN LIVING

Manuelo R. Mejia

I WAS DEEPLY FRUSTRATED with the news that next year's budget for the Philippine Sports Commission would be slashed from P56 million to P27 million.

In my view, this drastic cut in the P56 budget is a no-brainer and will only show to the world how sports is treated purely in this country.

"This is nothing trend to enjoy" said former sports commissioner and now Bataan Rep. Monico Puentevella. "We will do everything to stop the passage of the bill in Congress. We will fight this in Congress."

Since 2002 the allocation given to sports has been dwindling tremendously. The PSC is now operating on a budget of P79 million this year compared with P107 million in 2004 and more than P100 million in 2003.

"I don't know how we can win medals in the Olympic Games with this kind of investment for sports development," said PSC chair William "Butch" Stamico, who has been recently elevated by President Macapagal-Arroyo as "do everything to ensure that the country wins its first Olympic gold medal in Beijing in 2008."

The proposed national budget is based against sports. In the new budget, sports will only get the crumbs while the other government departments like defense, finance, health, foreign affairs, entertainment and natural resources, justice and education will get their special care and attention, including huge budgetary outlays.

Congress should not reduce the budget for sports. One reason why Philippine sports continues to deteriorate is because of the perennial lack of funding. As a result, even the basic needs of the athletes such as training equipment, decent quarters and food and vitamins have often been neglected.

Sports development is a private responsibility of the government. The state is the most significant entity that should give sports the needed boost. That is why Congress should not slash the budget for sports. This is the one area where the government can translate to support and succeed in sports. Should this be realized, the Philippines will top sports and would no longer be regarded as the "Sick Man of Asia."

An analysis of what's wrong with the present state of Philippine sports will also show that aside from the lack of funding, there is also an alarming lack of talents who will replace the present crop of athletes who are representing the country in international events, including the coming SEAGAME Asian Games. The Mahusay Bandanao has been the best program for the discovery of young and promising talents, but it failed to achieve its goal due to some differences among government officials in the past.

Unless a serious, honest and more efficient team-based sports program like the "Palaro" is held, Filipino athletes can never be competitive and their performance can never be at par with their counterparts from other countries. In addition to the lack of a truly mass-based program, there is also confusion in the sports bureaucracy and disagreements among our sports leaders.

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ARROCEROS CONTROVERSY

Defensor keeps hands off park row

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Simply Creative

By Blancha C. Rivera

THE DEPARTMENT OF Environment and Natural Resources (DENR) would not intervene in the dispute between the Manila City government and environmentalists fighting for the preservation of the Arroceros Forest Park in Manila.

Environment Secretary Michael T. Defensor said the contentious issues did not appear to come on the environmental appreciation of the forest park but on the value of the Arroceros Park as an archeological site.

"It's more on the historicity of the area than the harm caused by operations or the new materials being utilized on the environment," Defensor told the Inquirer in a phone interview.

Defensor further said the parties being raised by Mayor Lito Atienza and developer of the park, were names that could be easily resolved by the courts.

Dinggil Architecture has asked Defensor in a letter to withdraw the certificate of noncoverage given to the Manila City government and issue a cease-and-desist order to stop the construction of an educational facility inside the park.

Lawyer Maria Paz Luna insisted that the National Historical Institute, which has jurisdiction over prehistoric archeological sites, did not give the go signal for the construction of an edutainment facility inside the Manila Division of City Schools.

She said the certification from the National Museum, which is cited in the basis of the CNC issued by the Laguna Lake Development Authority, approved only conditional reservations in the premises.

LLDA general manager Caesario "Sonny" Bo. Lorenzo, maintained that he did not see any basis to revoke the CNC issued to the Manila government because of the certification from the National Museum.

"If they (Intramuros) find the National Museum did not issue a certification, then this can easily be stopped in the courts," Defensor said.

He, however, said he would ask the LLDA to explain the legal basis of the CNC and reply to the Intramuros's inquiry on the environmental effects of the project from resident log accounts to environmental impact assessment.

Defensor and Manila Mayor Lito Atienza, a proponent of the conservation project inside the park, are key allies of President Macapagal-Arroyo.

Atienza has provided much-needed support to the former, especially as the height of calls for her resignation for allegedly rigging the 2004 presidential polls.

'Rush to save accident victim may kill him'

By Edson C. Tandoc Jr.

FACED WITH A MEDICAL emergency? Don't bring patients to the nearest hospital, a health official said.

Instead, relatives, policemen or motor officials should bring them to the "nearest appropriate hospital," Department of Health Emergency Management Office officer-in-charge Carmencita Bautista said.

According to her, the rush to bring a victim to just any hospital may put the survival of the person in jeopardy.

Bautista said there had been many instances when rescuers still rush-rushed patients to a hospital, only to find out that the hospital lacked the facilities needed to treat the victim.

The patients had to be transferred to another hospital causing delays.

"Things could happen during this period of delay. The survival of the patient is at risks," Bautista said.

For instance, those injured in fire incidents should be brought to hospitals capable of treating third-degree burns.

She told motor officials who attended the relaunch of Patrol 117 Emergency Hotline two weeks ago that they should first coordinate with her department to determine where they could bring the injured.

"We have an operation center which maintains radio contact with all our national hospitals. We can quickly tell if they can accommodate patients with serious injuries," Bautista said.

She also asked local officials and rescue teams to maintain a list of local hospitals specifying their capabilities to their respective areas.

METROBRIEFS

Rob suspect tagged

THE SUSPECT in the 2001 robbery-slay of Cainta police director Reynaldo de Castro, Pinto last week was identified one of the three men in the hotel, police said. The suspect was identified through a police gallery but Cainta police Chief Supt. Gilbert Cruz declined to release the name of the suspect pending the completion of the investigation of the case. The county told police that the suspect in the police gallery "looked similar" to one of the three motorcycle-riding robbers who attacked them on Wednesday morning and killed the district businessman Eric Guevarra.
Edson C. Tandoc Jr.

Utilities block canals

CRAFT block waterways. The Metropolitan Manila Development Authority (MMDA) has the message to utility firms, after this agency discovered utility lines passing through and obstructed portion of the metro's drainage system. MMDA Deputy Chair Oscar Lorenzo, head of the agency's flood control operations, said he had sent letters to concerned utilities that they should remove their facilities that are blocking the waterways. Lorenzo said the MMDA will not hesitate to file charges against utility firms that refuse to comply with the order. Lorenzo said the MMDA will not hesitate to file charges against utility firms that refuse to comply with the order.

Biker killed in QC

A MOTORIST was killed while his young son was slightly hurt when their tricycle was bumped by a van going Marcos Avenue in Quezon City before midnight Saturday. Romeo Lacerna, 38, a delivery man on a motorcycle, was on his way home with his 7-year-old son when he made a sudden U-turn on Elpidio Quirino Avenue to enter Marcos Avenue. The van driver, Jonathan Pena, 28, who was heading toward Farmers's Avenue, was on his way to the station's blotter at 11:30 p.m., said police. Lacerna and the boy were thrown from the motorcycle when it hit the van's left side. They were rushed to the National Orthopedic Hospital, where the father died.
A. Ilao

Finally, a truly 'friendly' ride

By Jocelyn R. Uy

LAS PIÑAS CITY RESIDENT motorists can now expect hassle-free "Friendship Routes."

With the lifting of an ordinance that prevented the Paranaque City government from opening to the public the main thoroughfares of BF Homes subdivision, Las Piñas City can now effectively implement Ordinance No.152-05 which opened so-called "Friendship Routes."

The ordinance was enacted by the City Council in 1995 to decongest traffic along Alabang-Zapote Road, which is also used by motorists from the cities of Parañaque and Muntinlupa and the province of Cavite.

"It is the backbone of Las Piñas City. It's like Edsa," Jimi Casillano, public information officer said the business.

In 2000, roughly 200,000 vehicles used Alabang-Zapote Road daily.

Today, with the completion of the Daniel Aldana Boulevard, that figure has doubled, said traffic staff Jed Garcia. He said the boulevard made Alabang-Zapote Road more accessible.

Also, more motorists bound for Muntinlupa, Cavite and nearby provinces in the south, have opted to use the road rather than pay expensive toll fees on the South Luzon Expressway, he added.

The Friendship Routes are alternative roads that Las Piñas residents can choose can take to avoid traffic along Alabang-Zapote.

It is a network of 100 streets in about 89 villages and subdivisions in the city including a part of the BF Homes.

The ordinance directed owners, developers or homeowners associations to allow motorists to use their roads from 5 a.m. to 11 p.m.

Only those with Friendship stickers, which the local government issued for free, are allowed on the alternative routes.

Earlier, when Parañaque City government was shutted with an injunction in 1996, even motorists with Friendship stickers were not allowed to pass through BF Homes.

BF Homes

BF International Village hosts 14 streets of the Friendship Routes. These include Tropical Avenue, Moscow, Dakota, Wales, Tel Aviv, 2, Florida, 8, Cayan, 1, Nile, 4, Jazz, Marcelo, Nevada, Antarctic, Ribbon Streets and Condra Cruz Drive and El Grande Avenue.

Other streets included in the "Friendship Routes" lie in four other villages affiliated with BF Homes: BF Executive Village, Southland Estate, Marquisa Village, BF Homes Almanza.

Before the injunction was lifted, the existence of guard houses on Tropical Avenue, Condra Cruz Drive, Ribbon Street and in Southland "impeded traffic flow," according to the city engineer's office.

Former Mayor Angel "Nene" Aguilar, in a previous interview, said that the purpose of the "Friendship Routes" was defeated when the United BF Homeowners Association Inc. remained in control of its gates.

"Our motorists using the Friendship Route in BF Homes would have to go back once they reached D Grande and again because UNIFOM didn't recognize our stickers," said Aguilar.

Now that the Parañaque government has taken control of the subdivision's main gates, motorists can now take Tropical Avenue with entry points at the Southville International School and Condra Cruz Drive.

"Parañaque's ordinance is inherent our ordinance," said the former mayor.

Melencio could also take those streets to lessen the traffic on Alabang-Zapote between Aloma Alunan Avenue and Southland.

"Motorists Aloma and Daanghari are usually the chokepoints," said Garcia.

With the full opening of the Friendship Routes, traffic along Alabang-Zapote is lighter by 7.5 percent or as much as 30,000 vehicles, said Garcia.

Meanwhile, Mayor Imelda Aguilar assured village residents of their safety, saying that her mayor's office and the police would be vigilant against criminal elements.

She also added that she would coordinate with Parañaque City Mayor Florencio Bermudez to ensure free traffic flow on BF Homes major thoroughfares.

Game over, NBI tells users of illegal software

By Margaux C. Ortiz

TIMES UP.

That was the message of the National Bureau of Investigation (NBI) to users of unauthorized computer software, after the two-month grace period for them to ban legal programs expired last week.

"The users were given until Sept. 15 to get rid of their illegal software," NBI intellectual Property Division chief Jose Justo Ong said in a phone interview.

Yap added, "We will now be going after everyone engaged in computer piracy from big companies to small business."

The Filipinas Anti-Piracy Team, made up of the NBI, the Optical Media Board, and the Philippine National Police, gave businesses 30 days to buy authorized computer programs before they start conducting operations against those engaged in the illegal selling and distribution of software.

Yap said the crackdown would include sellers of illegally reproduced software and businesses, especially computer rental shops that use unlicensed programs.(See related story on Page A18)

Violators face stiff fines and jail terms of as long as nine years.

Search for model family

THE DEPARTMENT of Social Welfare and Development (DSWD) rewarded on Saturday morning the Hernandez Pantilyn Awards, which aims to honor exemplary families.

Rizalenang Pantilyn Awards was first launched in 1996 and had honored more than 200 families nationwide and it was suspended in 2004.

DSWD Secretary Cornelia T. Dalis said that the program was a tribute to the Filipino family for its triumph over trials and presents that threaten its stability.

"Amid socio-economic difficulties, we call on the nation to take stock of the blessings of their family," the DSWD secretary said during the Family Week celebration at the Marikina Sports Complex which was attended by families from the city and nearby areas.

The announcement of the search and the awarding was the highlight of the celebration participated by non-government organization and day care center attendants.

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MONDAY, SEPTEMBER 19, 2005 PHILIPPINE DAILY INQUIRER B1

BUSINESS

Editor Raul D. Mercado
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PC BUYER'S GUIDE
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MRT 3 buyout seen costing gov't $600M

But long-term savings to reach $2B

By Clarissa S. Batino

THE GOVERNMENT needs to raise some $600 million to acquire the assets and equity of Metro Rail Transit Corp., operator of the MRT-3 that plies the stretch of Edsa.

Transportation Undersecretary Golling Mamaradlo said that based on a recent computation of MRT-3, the net present value of the assets and equity of MRTC this year would be $571 million.

Mamaradlo said the agency would formally recommend to Malacañang to buy out MRT-3 from MRTC. He said the move would relieve the government of almost $2 billion in interest payments to the consortium.

The net present value of the contract with MRT, he said, included a 15-percent return on investor for the 16 future bid concessions, which the government would like to bring down to about 10 percent.

An inter-agency group created by Malacañang last month to study the buyout of MRTC plans to issue about $300 million in bonds to finance the programme.

Buying out MRTC would give the government about $1.7 billion in savings for the remaining fifth of the 25-year build-lease-and-transfer contract or until 2021, Mamaradlo said.

The government will save by not having to pay interest to MRTC over the remaining life of the contract, which is about 20 years. For the MRTC consortium, which includes Ayala Corp., Itamcar Inc. and Globe-Phil., a buyout can mean getting a return on their equity more limited of over a 10-year period.

Mamaradlo said that if it was up to the DOTC, the agency would prefer to borrow in pesos or to just get the money from the national budget.

He said the DOTC would propose to include the buyout of MRTC in the 2007 General Appropriations Act. The budget proposal for 2006 was already submitted to Congress.

"Maybe we can get the money from tax payments," the official said. But that is easier said than done considering that the government remains hobbled by a yawning fiscal deficit.

Preparing MRTC had been proposed during the time of finance talons the government renegotiated the contract with the private group.

WHAT'S INSIDE

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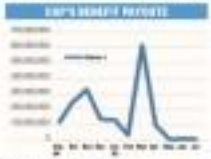

CAP: From pre-need's poster boy to whipping boy

By Dexter L. Lucas and Elizabeth L. Sanchez

[First of a series]

COLLEGE ASSURANCE PLAN (PHILIPPINES) Inc. (CAP) is the biggest and most successful pre-need firm in the country's history.

It is also emblematic in many to harrowing case of the country's biggest corporate failures.

In its death throes, CAP threatens to drag down with it a multi-billion-peso industry, more than 40 pre-need companies, and the financial futures of millions of clients who hinged their futures on the promise of guaranteed returns.

To be sure, the company has perforated well in the past, having paid out an estimated P13.9 billion in tuition benefits since its in-

SPECIAL REPORT

Currencies ... Stock Market ... Quiet trading seen

Mindanao agri-fisheries investment forum: Top 9 commodities

THE MINDANAO AGRI-FISHERIES investment forum held recently in Davao City highlighted nine priority commodities that the Department of Agriculture would promote all over the country.

Bananas, coconut, coffee, mangoes, palm oil, poultry-edible, seaweeds, and tilapia were chosen based on their potential for export and market expansion.

In keeping with the theme, "On the road to progress: Invest in Mindanao", market updates and government reforms to support these agri-inclined products were presented to encourage more investments, establish a local and international network and raise the quality of farm products.

The Mindanao Agri-Fisheries Investment Forum-Devfest-Tech also aimed to help farmers, fishermen, manufacturers and agri-traders, and to zoned primarily on the proposed action plans for all stakeholders.

The significant role of Mindanao in the overall development of the agri-fisheries sector has always been stressed.

Its vast land—mainly devoted to agriculture—is the country's major source of agricultural products, accounting for more than 1/3 of the pie. This is why Mindanao has always been referred to as the "Food basket" of the Philippines.

Of the nine priority commodities, let us look closer at three industries: seaweeds, rubber and palm oil, which are relatively less associated with Mindanao, compared to fruits and fish.

Euchemata of the red algae is a variety of seaweed that accounts for 96 percent of total Philippine production of seaweeds.

As a source of carrageenan, one of the world's foremost food and industrial additives, Euchemata is a valuable export to countries like Japan, United States, and Denmark.

In the United States alone, one country exported 13,995 tons of carrageenan valued at $54 million. In 2004, the Philippines produced 1.2 million metric tons of seaweeds, of which Mindanao contributed 885,446.7 metric tons or 56.9 percent of total production.

The bulk of the production in Mindanao came from Western Mindanao, where there are stretches of shoreline suitable for growing seaweed.

However, despite the stronger grip on the international seaweed market, our industry still requires improvements in many areas.

Problems such as low farm productivity, poor quality of seaweed, high marketing costs, inadequate research and development, and lack of post-harvest and drying facilities prevent the Philippines from conquering the exports market.

Our weakness is that the industry is dominated by small growers. They live in poor coastal areas and rely on seaweed farming for their income.

Thus, it is imperative for government and business support groups to extend assistance and provide basic needs of the small farmers requiring technical expertise, facilities, credit, access, and linkages.

Nowadays, it is not just the government that undertakes projects to assist seaweed farmers, but also the international support agencies, like the USAID, that have identified the great export potential of carrageenan.

Similar to the seaweeds industry, the rubber plantees in the Philippines are mostly small. On average, a farmer owns three to ten hectares of land devoted to rubber trees.

The majority of our country's rubber produce, 7/8 percent, is absorbed by the tire and footwear industries. Currently, the Philippines is producing 90,000 metric tons of dry rubber per year, equivalent to just 1.06 percent of world production. Last year, 45,000 metric tons of natural rubber exported to neighboring Asian countries were valued at $$1.44 million.

There is still a lot of room for the rubber industry to grow.

The total available area for rubber farm expansion in Mindanao was estimated at around 52,000 hectares, but the actual suitable area is over 900,000 hectares. These are mostly in Central Mindanao, Zamboanga Peninsula and the Autonomous Region of Muslim Mindanao (ARMM).

To provide the needed planting materials for rubber, land reform graduates and cooperatives have to be put up. This represents another investment opportunity.

The global rubber industry has nowhere to go but up. Robust prices continue to increase at an estimated rate of 3.3 percent a year until 2015.

Next, the government cushing in on the growth by extending assistance to farmers and processors, rubber farms in Mindanao are even expanding in the near future.

Meanwhile, the local market is the target of the palm oil industry as opposed to the other pilot-ly commodities.

Palm oil is popular because it is cheaper than coconut oil and can be treated several times, as generally preferred by institutional buyers.

It is commonly used as raw material in product making oil, margarine and shortening. In create, non-dairy creamer, soap and detergent, cosmetics, candles, petroleum-fuels and animal feeds, to name a few.

With such varied uses, the demand for palm oil grows by 2.18 percent a year, outstripping available supply, resulting in a shortfall of about 40,000 metric tons.

Incidentally, oil palm plantations are concentrated in Mindanao. Region XII accounts for 53 percent of the total, followed by Region XI, 27 percent.

To extract nuts containing nut-less, oil palm is the tree, while palm oil is the processed products.

Crude palm oil (CPO) and palm kernel (PKO) are produced from the fruit of the oil palm. Consequently, Philippines imports 98,026 metric tons of palm oil, valued at $49.72 million a year, due to the shortage of land supply.

The opportunities in this industry lie in

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The Economist, 27 August 2005

Business process outsourcing or finance or accounts could become part of the next wave of an invasion opposite sides that are poised to be hard to the country. The world's top banks, investment companies and multinational corporations have set up regional back office, research and other support services in the Philippines. Those participating in the CFA Program who will receive the internationally recognized CFA Charter will have a distinct advantage in this regard.

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Bidding for Manila Gas assets fails anew

By Michelle V. Rorio

Riverview
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Cainta, in the heart of Rizal province

THE AUCTION OF the two pieces of property of Manila Gas Corp. last week, a move through which the deficit-beleaguered government aspired to raise an estimated P776 million, again failed due to lack of interested bidders.

The government, currently on an aggressive mode to privatize state assets to raise revenues, has placed the Manila Gas assets in this year's privatization list since these were no longer generating economic gains.

Officials were hoping the auction would attract several real estate developers, including those engaged in the establishment of malls, considering the geographic potential of the properties.

The auction of the two pieces of property, both located in Ilaya, Manila, only attracted one bidder—Robinsons Land Corp.

Manila Gas is one of the firms established by state-run National Development Co. (NDC), the government's investment arm. Manila Gas, which ceased operations in 2002 and is now only concentrating on selling its assets, was engaged in the distillation of liquefied petroleum gas.

An official from the NDC said the government firm would set another schedule for the bidding for the Manila Gas assets two to three weeks from now. The source added that the NDC requested Robinsons Land to again participate in the bidding, as well as Ayala Land Inc.

Napocor rates seen to rise by 19¢/kWh

By Abigail L. Ho

ELLEGE RATES OF THE STATE-RUN National Power Corp. will likely increase by an average of 18.99 centavos per kilowatt-hour (kWh) next month once the Energy Regulatory Commission approves its fuel cost and foreign exchange rate recovery applications.

According to the local joint filings of Napocor and the Power Sector Assets and Liabilities Management Corp., the state firm is seeking adjustments of 26.49 centavos per kWh in Luzon, 21.29 centavos per kWh in the Visayas and 11.39 centavos per kWh.

These rate adjustments will cover the recovery of costs under Napocor's generation rate adjustment mechanism (Gram) and incremental currency exchange rate adjustment (Icera).

The quarterly Gram allows Napocor to recover any fluctuations related to its purchase of power from independent power producers.

The Icera, on the other hand, is a quarterly rate adjustment mechanism that allows Napocor to reflect foreign exchange fluctuations in the rates it charges its customers.

Both filings, the fifth for the Gram and the fourth for the Icera, cover incremental costs incurred from October last year to March this year.

The Fifth Gram filing likewise includes the amounts to be recovered from the Luzon and Mindanao grids as well as the amount to be refunded to the Visayas grid.

The components and refund amount from the ERC's final decision on the Napocor Pedro power application for rates of one (TOU) rates.

In a statement over the weekend, Napocor president Cyril Del Callar said that since November last year, Napocor customers, including distribution utilities and large electricity users, had been paying between P1.87 and P6.00 per kWh, depending on the time of day they use electricity.

"These were all the cheapest electricity rates among all power producers nationwide, he said.

Del Callar also said that the state firm had no assurance that it would get to full the Gram and Icera rate adjustments that it was seeking as these were still subject to ERC evaluation.

"Since the supplemental rates are subject to evaluation by the ERC, a lot of possibilities are still open," Del Callar explained. "The ERC could decide to have a longer recovery period than what [Napocor had] applied for. It can also decide to have the amount lowered, approve the figures as filed, or require some clarifications from us before [ERC] can give its decision."

RP cuts use of oil-fired power plants

SOARING OIL PRICES IN THE WORLD market have prompted the National Power Corp. to reduce its use of oil-fired power plants to 8.4 percent this year from 13.2 percent in 2004.

In terms of volume, oil-fired plants are said to account for 3,057.47 gigawatt-hours (gWh) of Napocor's full-year power production, down from last year's 5,471.06 gWh.

For the first 8 months of 2005, the state firm aims to cut the share of oil-based power plants in the generation mix to 6.8 percent from 13.7 percent during the same period in 2004.

Napocor president Cyril Del Callar said that the state firm had already succeeded in slashing the share of diesel-fired plants in its generation mix to only 10.2 percent in the first half from 15.8 percent in the same period last year.

Napocor hopes to drastically reduce its use of oil-fired plants in all three main power grids.

In Luzon, it plans to bring down the grid's share of diesel plants to the generation mix to 1.2 percent in the August-December period from last year's 13.5 percent.

In the Visayas grid, the state firm wants to reduce this share to 4.4 percent from 11.2 percent last year.

A different scenario is expected in the Mindanao grid, however, as Napocor sees the share of diesel fuel plants to increase to 17.3 percent from last year's 16.4 percent.

Del Callar explained that Mindanao oil-based plants were needed to augment the existing capacities of the grid's hydroelectric and geothermal plants.

Earlier in the month, world oil prices approached the $70-a-barrel level.

Abigail L. Ho

Gov't to scrimp on workers' wages, expenses

By Michelle V. Reyes

THE NATIONAL GOVERNMENT INTENDS to implement a "personnel cap," under which has agencies will be required to set limits on their spending for salaries and wages of state workers as a means of fiscal discipline.

The Department of Budget and Management has proposed that the personnel cap be set at 35 percent of the national government's current net revenues.

The DBM wants the personnel cap to be implemented starting 2010, when the government supposedly will have posted a budget surplus. The idea is to maintain the ratio of total personnel spending, which the government may be forced to adopt amid the deficit it has registered over the years.

In 2004, the government spent P164.1 billion for personnel services while posting a budget deficit of P180 billion. For this year, the government has programmed P178.8 billion to pay for personnel services, and expects a budget deficit of P100 billion or below.

If all agencies were to exceed its budget ceiling for personnel services, the national government could decide to abolish positions or functions, or to temporarily reduce working hours.

The DBM's proposal is embodied in the proposed fiscal responsibility bill.

US companies plan to expand businesses in RP

By Russel N. Domingo

AMERICAN FIRMS HAVE ANNOUNCED plans to expand their businesses during meetings with Philippine officials currently in New York with President Macapagal-Arroyo, Trade Secretary Juan G. Pavlo said.

The trade chief said cigarette maker Philip Morris International presented to the President plans for a major expanding program.

Pavlo did not provide details but he said the firm will employ P8B in cigarette or "a full-enhanced capacity" in the Philippines.

Also, he said information technology-enabled companies announced expansion plans that would start within the next six months, with the possibility of creating jobs as great by as much as 30 times over the next three years.

Pavlo said among the firms were EDS call center operators Sutherland Global Services and Intelisys.

Also, Pavlo said the US-based Association of Texas-based Chambers of Business Council would send a team to the Philippines in the first semester to trade relations and explore more investments.

He said one of the points taken up in the meeting with the US ABC was Malacañang's position on Washington's Asian initiative on anti-tariff free trade.

"They feel that it has a lot of bearing in their decision, in so far as new investments in the region are concerned," the DTI chief said.

Dutch firms said to be fearful of RP taxation

THE PHILIPPINE GOVERNMENT WILL SOON resolve existing taxation issues involving the Shell group of companies here if it expects to see more Dutch companies investing in the country.

Ric Reringa, the Royal Netherlands Embassy deputy chief of mission, said in a recent interview that the two countries is negotiating a tax treaty, particularly with respect to taxation. The better climate there was of Dutch firms bringing their businesses into the Philippines.

"We will be happy if taxation would be such that Dutch companies can operate here," Reringa told reporters.

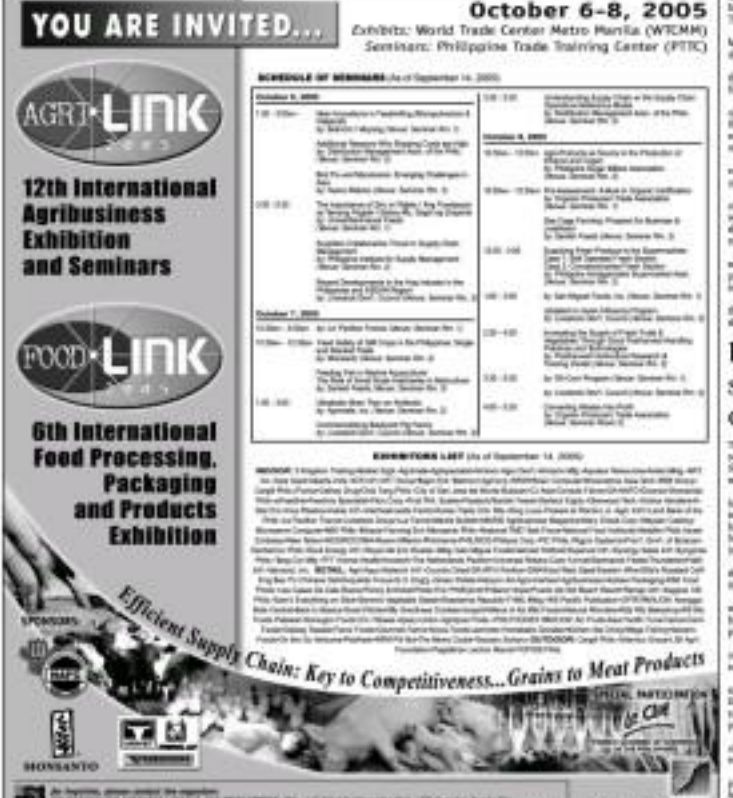
But he also said that, as with any other government, taxation has both positive and negative effects. These would have to be clearly determined, particularly in light of existing investments.

As for the issue between the government and the Shell Group here, he said that was up to the two parties to resolve.

Pilipinas Shell Petroleum Corp. had submitted a position paper to the Department of Energy regarding the possibility of keeping a tariff differential between crude and refined petroleum products.

Shell Group country chair Edgar Chua said the oil refiner was still reviewing whether it should retain or eventually close down its refinery here.

Energy Secretary Raphael Lotilla said the government was willing to explore the possibility of instituting some sort of tariff difference, but because refiners and pure importers alike, Lotilla said.



Where our 2006 taxes will go

FOR THE FIRST TIME FOUR ADMINISTRATIONS, the national budget will exceed a trillion pesos (P1.053 trillion) next year. The proposed 2006 budget is now in the hands of Congress for close scrutiny, debate on, and hopefully approval before the end of the year. Below are some of its interesting highlights.

Questionable assumptions

Underlying the budget proposal are assumptions on what key macroeconomic indicators will be like next year. When the proposed budget was originally drawn up earlier this year, the government was obviously expecting a bit easier picture for 2006 than now seems plausible. For example, GDP is projected to grow by 6.3 to 7.4 percent next year, against a projected 5.3-6.3 percent this year. Inflation rate will average 7.0 percent, lower than the 7.5 percent expected this year. The exchange rate will be P55-57 to the dollar, same as projected this year. And the average price of crude oil assumed is $52.84 per barrel, against this year's projected at $48.91.

No surprisingly, members of Congress have already questioned these assumptions. While the inflation and exchange rate assumptions may still be within striking range, those for GDP growth and crude oil price seem way out of line. The Asian Development Bank has recently downscaled the government's projection to 4.7 percent; an Ateneo forecast is 4.6-5.2 percent. With the world economy slowing down, Philippine GDP growth next year cannot be expected to be much better. Meanwhile, everyone knows that crude oil price is now averaging over $70 a barrel, and most analysts assert that these high prices are here to stay. Both of these questionable assumptions can have profound implications on both revenues and expenditures next year.

Debt service

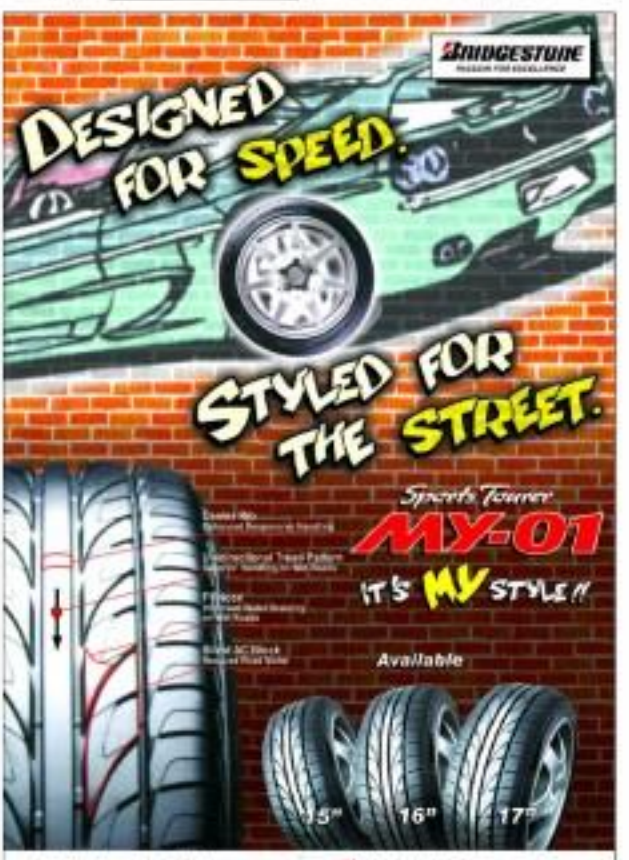
The single biggest item in the budget still again be interest payments for debt, which will cost P540 billion, or about one-third (33.3 percent) of the budget. But this does not give a complete picture. One must add to this the P602 billion to be paid to amortize the debt principal, leading to total debt payments of P1.142 trillion next year. Compared to projected government revenues of P960 billion, which I have argued before to be rather ambitious on the point of re-credibility ("Reaper in-fole," *MR*, 6-29-05), the implication is that the equivalent of 7% percent of revenues will be paid out on service government debt. For the Bureau Nuclear Power Plant alone, debt payments will take up P1.89 billion next year, or more than P5 million a day.

Declining shares

Net of interest payments for debt, education gets the biggest share (13.9 percent) of the national government budget, in keeping with the Constitution. The bad news is that this share continues to decline, being 14.79 percent in 2005, and 14.88 percent in 2004. Above had none the share of health services, at a meager 1.3 percent, will also decline further from the 1.41 percent this year and 1.67 percent last year.

Other sectors getting progressively smaller shares of the budget are agriculture and agrarian reform (2.65 percent, from 3.04 and 3.62 percent last year and the five years before that); trade and industry (0.29 percent, from 0.32 and 0.34 percent last year); and environment and natural resources (0.49 percent, from 0.52 and 0.54 percent last year).

Under sectors getting progressively smaller shares of the budget are agriculture and agrarian reform (2.65 percent, from 3.04 and 3.62 percent last year and the five years before that); trade and industry (0.29 percent, from 0.32 and 0.34 percent last year); and environment and natural resources (0.49 percent, from 0.52 and 0.54 percent last year).



No Free Lunch

Cielito F. Habito

Quiet . . .

(Story page B2)

The benchmark Philippine Stock Exchange composite index rose 37 points or 1.4 percent last week to 1,869.8 mainly on bargain hunting.

Leading the market higher were Globe Telecom, Manila Electric, Bank of the Philippine Islands, BPI, Equitable PCI, ICTSI, Metrobank and Ayala Land.

Gaston Cordeiro of ZTrade.biz.Com, said local players have largely discounted monetary authorities' early warning of potential increases in local interest rates.

"The only argument for now is the extent and acceptability of prospective increases, especially for companies that have yet to build their revenue streams to offset increasing costs," Cordeiro wrote in a weekly report. He said investors would also likely key where the index stabilizes before current 1,870 and 1,900. (Elizabeth L. Sanchez)

No Free Lunch

From page B1

from 0.40 and 0.33 percent); land distribution (0.62 percent, from 0.83 and 0.68 percent); and public order and safety (5.74 percent, from 6.14 and 5.92 percent). Subsidies to LGUs will also receive a smaller share for both economic services (5.31 percent against this year's 5.78 percent) and social services (5.65 percent from this year's 6.33 percent).

On the other hand, favored with higher allocations are infrastructure (7.81 percent against 6.72 percent this year), defense (4.96 percent from this year's 4.81 percent), housing (0.26 from 0.19 percent), social security, welfare and employment (3.56 from 4.26 percent) and general administration. But, foundation: government salaries which will get 4.59 percent from this year's 4.49 percent.

Regional breakdown

On the geographical allocation, Metro Manila will receive the biggest share of the aggregate budget (3.72 percent), followed by Western Visayas (3.26 percent), Central Luzon (2.96 percent) and Calabarzon (2.83 percent). Bringing the lowest shares are Mimaropa (0.99 percent), Cordillera Administrative Region (1.06 percent), Caraga (1.20 percent) and Western Mindanao (1.43 percent).

Infrastructure allocation as recompiled by the budget of the Department of Public Works and Highways (DPWH) gives the biggest shares to Metro Manila (9.37 percent), Caraga (5.83 percent), Ilocos (4.57 percent), and Western Visayas (2.93 percent). On the other hand, the smallest shares go to the rest of the Mindanao regions, with shares ranging from 0.22 percent (ARMM) to 1.47 percent (Northern Mindanao). Mindanao as a whole gets about 19 percent of the total DPWH budget. I still recall how the Ramos administration managed to pick up Mindanao's share in the infrastructure budget from 19 percent in 1992 to close to 30 percent by the mid-'90s. As Ilocos Sur's powerful then, I used to cite this fact in many of my Mindanao speeches at the time. I'm disappointed to learn it's sunset back to where we started from.

Too bad, this is one set of Mindanao numbers not even Garci can adjust upwards.

Comments welcome at chakiss@yahoo.ph.

Cocktales

From page B1

Jaime-George Yoon, brother of Sen. Eddie Villanueva spokesman Leo Yoon, has agreed to represent the Yoons in seeking the return of almost P300 million worth of family jewelry that have allegedly been made part of the Delia Reyes-Phillips estate.

The jewelry represents gifts allegedly given by the late Yoon patriarch to Delia Reyes-Phillips during their decade-long friendship, gifts that Delia Reyes-Phillips, a part-time film Philippines, allegedly refused to return to the Yoons—hitherto among her last wishes.

In the meantime, the glacial pace of Philippine justice was highlighted Friday when the scheduled hearing was again cancelled, the second such cancellation after only one session heard by Makati RTC Judge Ma. Cristina Cortes-de.

To compound the delay Delia Reyes wants the court to suspend the probate hearings by first questioning the authority of Chanlian to represent Ralph Phillips, the co-petitioner in Greece.

Chanlian, on the other hand, had earlier sought the recall of the court's appointment of Delia Reyes as executrix, claiming that she had misled the judge by neglecting to inform the court that the late billionaire had a surviving spouse.

In addition, Chanlian accused Delia Reyes, a former partner of Roman Delos Reyes Lozada & Acosta law firm, of having flown to the United States and family with having $400,000 from her late's joint bank accounts without informing the SC tax authorities that her estate had already passed away.

Audi brings in muscle

THE GERMAN automaker Audi is bringing in additional legal artillery to complement its diplomatic moves in its bogged-down battle with the legal savvy tactics of its former local partner, the Porsche-turn-Prestmoor Group.

According to the grapevine, Audi chief counsel Dr. Martin Wagner and his deputy, Ernst Gröber, are coming over to Manila to confer with German Ambassador Axel Weinhauer over the "wild, wild West" style of individual justice that had been inflicted by the Pangasinan Regional Trial Court even on the Germany-based Audi board members.

Mandaluyong Judge Jaime Mejia approved the issuance of warrants of arrest for the entire Audi board, despite none of them having signed the dealership contract with the Prestmoor/Auto Premiummotor Group.

With the issuance of arrest warrants, Prestmoor/Auto Premiummotor Group went to town, and plastered the faces of the Audi board members in "wanted" ads in the newspapers.

Despite its blaked address, the Prestmoor/Auto Premiummotor Group sued Audi in Pangasinan, claiming that the Prestmoor/Auto Premiummotor offices are based in that northern province by virtue of its ownership plan in Alaminos.

As it turned out, the Prestmoor/Auto Premiummotor Group has not secured outright business permit in Alaminos since 1997, after it shut down its Alaminos plant as a result of the regional currency crisis.

Worse, the Alaminos plant now even appears to be a building permit despite its brief operation, according to the City Engineer's Office.

Money-go-round

● NORTHWEST says its operations in the Philippines and the region will remain unaffected by the airline seeking bankruptcy protection, Northwest is in fact now ratcheting up its marketing operations in the country, one of the most profitable sectors of the beleaguered airline.

● SAMSUNG has announced a 20-percent cut in the price of LCD-screen television sets starting next month, with its new ultra-slim, generation plant now ramping up production of the hot-selling flat TVs.

Heard through the grapevine

THE FINGER between acting BIR chief Jose Mario Buñag and Deputy Commissioner Kim Jacinto-Henares is threatening the fragile esprit de corps efforts of the revenue agency.

What is complicating the situation is that both are CIMA appointees.

(Email: mchiss_pdi@philstar.net or mchiss_pdi@yahoo.com)

Gov't plans to lower GDP growth target for 2006

By Michelle V. Ramos

GOVERNMENT IS EXPECTED TO lower its 2006 gross domestic product growth target to only 5.7 percent, which it considers to be a more realistic figure given the spending programs.

The original GDP growth target for 2006 ranges from 6.3 to 7.3 percent. The National Economic and Development Authority earlier said the initial target was based on the assumption that dollar trade would average at only $46.5 a barrel next year.

Dubai crude, the benchmark used in determining oil prices in the Philippines, stood at $54.75 a barrel as of Sept. 14.

Sharp increases in oil prices tend to affect GDP growth. Higher oil prices may force consumers to reserve spending for other products. GDP, which is partly boosted by government and consumer spending, is the total value of final goods and services produced in an economy in a given period. It is the main tool used to measure an economy's growth or decline.

Finance Undersecretary Gil Beltran said the technical level of the Development Budget Coordination Committee (DBCC) would recommend to the cabinet's cabinet level the revision of the 2006 GDP growth target to 5.7 percent.

The cabinet level is expected to meet this month to adopt new macroeconomic targets.

DBCC is the interagency body that is tasked with setting the government's economic policies and targets. It is composed of Ceferino Rodolfo, the Department of Finance and the Department of Budget and Management.

Also, the DBCC is undertaking simulations on what the economic growth figure for next year will be, given a higher or a lower average oil price.

The DBCC is looking at the middle-ground scenario with oil prices averaging at $46 a barrel. Beltran said of the cabinet in revising the GDP growth target for 2006.

Vehicle trade perks ironed out

By Reynal P. Dumlao

THE GOVERNMENT is expanding the coverage of the Automotive Export Program to include buses, motorcycles and components, possibly knocked down kits in an effort to entice more investors to the program.

Trade Undersecretary Elmer C. Ilac **confirmed that government experts are working on the draft of a third AEP amendment**, which is laid out in Executive Order No. [illegible].

EO No. 344 provides incentives for the three export of completely built units or a minimum volume of 30,000 units yearly, each of which should be worth at least $5,000.

"This package would have an indirect benefit to auto parts manufacturers," Ilac said.

In fact, Ford Motor Co. Philippines, which registered with the AEP since 2003, is the only exporter of CBUs.

As of August this year, its cumulative exports reached 30,400 units and valued at $469 million.

Mindanao

[illegible] the expansion of oil palm plantations by at least 12,000 hectares a year, setting up of nurseries with planting density of 1,200 [illegible] trees a hectare and the establishment of an oil mill, which requires about 5,000-10,000 hectares of oil palm plantations.

The DA has proposed a strategy to produce and consume locally-made palm oil, and for Philippine companies to export the higher-priced refined oil.

To achieve this, the government and private sector should work together to yield the best kind of agriculture command by not just for palm oils, but for the rest of the primary goods and other agriculture and fisheries products that are proudly made in Mindanao.

Usec Edgar Blas is a young adviseur for Mindanao ; Vice Chair of the Mindanao Commission Of Women and Federal Core Board, Chair of the Mindanao TVET ; Mindanao Rep , Export Development Council; Chua , Jay-Ilagan Foundation ; Former Chair of the Mindanao Business Council, Email comments to [illegible]@yahoo.com)

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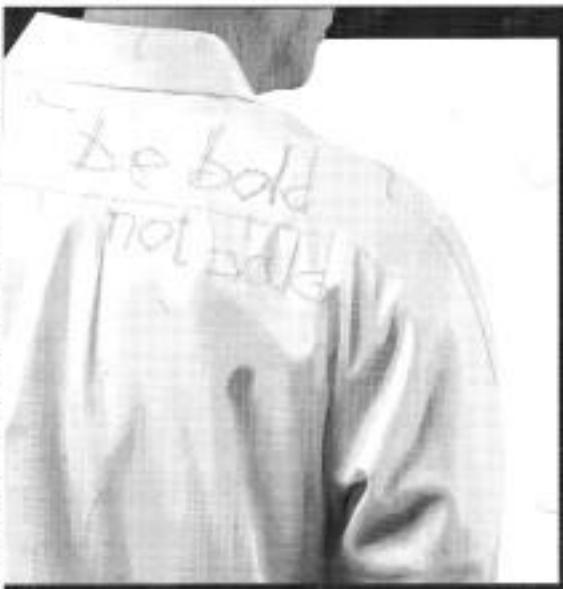

You can turn your back on MPHL or Male Pattern Hair Loss. It is caused by increased levels of DHT (dihydrotestosterone) in the scalp.[1] MPHL is characterized by loss of visible hair over certain areas of your scalp.[2] Chances are it will get worse as time goes by if left untreated[3], unless you will be bold enough to do something about MPHL. Research indicates that seeking early medical treatment can slow down hair loss and in some cases hair can even be regrown.[1]
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PlantersBank expands microfinance venture

By Doris C. Dumlao

BULLISH ON PROSPECTS FOR MICROEnterprise lending in the Philippines, Planters Development Bank plans to raise the capital of Davao-based Micro Enterprise Bank (MEB) to as much as P500 million and expand its operations nationwide.

Planters Bank chair and CEO Amon Tan-Isaang said during the recent Good News Rapidus that MEB, a development finance institution supporting the working and entrepreneurial poor, where the bank owns a majority stake, had great potential and should be expanded "in a big way."

"We like to increase the capital. Our idea is to expand it nationwide and increase the capital to much more than P60 million," Tan-Isaang said.

Planters Bank took over control of MEB from a Emirates partner last year. It bought out the borrower shares after the former partners decided to refocus their investments and resources in South America and Eastern Europe.

Planters Bank now has majority of MEB, while minority partners are the International Finance Corp. and Bank government-run, while Dutch Development Finance Co. (DEG).

"We might get another foreign bank to join us," Tan-Isaang said.

"Microfinance has been proven to be successful all over the world. The collection ratio is about 94-95 percent and if you're down to 90 percent, you're doing badly," he said.

MRT 3 buyout . . .

Continued from page B1

for it is only now, according to Malacañang, that the plan was being discussed thoroughly.

MRT3 spokesperson Atty. Chua said the private group would welcome a prepayment proposal from the government.

"There were talks about a similar buyout proposal before but they didn't prosper. The company is open to such a proposal. A written solicitation would have to be the basis of any buyout agreement," Buencamino was earlier interviewed.

Under the build-lease-transfer arrangement between the government and the MRT3 consortium that started in July 2000, the government must pay the private sector group a total of $2.4 billion over a 25-year period.

The amount covers the equity plus the maintenance fees.

MRT 3 was built with a $460 million funding. Of this, $460 million was a value that can be repaid by the government and $190 million represented the equity of MRTC.

The contract provided a 15 percent return on the consortium's equity. The monthly rental fee for the two components started only at $600,000 a month in 2000. Right now, it is at $3.3 million monthly because it increases periodically based on the contract, according to MRT 3 general manager Alberto Lastimoso.

Bangko Sentral eases write-off policy on NPLs

But Dosri loans excluded

By Doris C. Dumlao

TO HELP BANKS TO CLEAN UP their books, the Bangko Sentral ng Pilipinas relaxed its write-off rules on bad loans, excluding those on credit accommodations to directors, officers, stockholders and related interests (Dosri).

The BSP's policy-making Monetary Board, in its weekly meeting Thursday, allowed boards of directors of banks to write off against allowances for probable losses all non-Dosri loans deemed to have become worthless.

The Monetary Board agreed to waive the requirement for banks to get a 15-day prior notice before writing off bad loans, making it easier for them to unregister loans.

BSP Deputy Governor for bank supervision Nestor Espenilla Jr. admitted that the previous procedure required by the BSP was "cumbersome."

Putting up a 100-percent provision for bad loans has the same economic effect as writing off or recognizing the loans as losses. Under the country's tax laws, however, banks set aside for loss provisioning could be offset from tax liabilities only when the accounts were written off.

A loss-recognized loan, write-off policy, Espenilla said, would make it easier for banks to get rid of non-performing assets.

Instead of the pre-clearance previously required, banks now are required to file within 30 days after every write-off a board resolution approving the act, as well as a sworn statement signed by the president or officer of equivalent rank that the write-off did not include transactions with Dosri.

"We're scared (to Dosri [lending] because that's open to abuse, too [and] yesterday [some] the bank had and already [the] bank," Espenilla explained.

The BSP had eight months to relax its Dosri lending because it had been released in the past, considering the collapse of certain banks.

The General Banking Act limits a bank's Dosri exposure to a maximum of 15 percent of its total loan portfolio or 100 percent of its net worth, whichever is lower, provided that the Dosri lending does not exceed 30 percent of total loans and other credit accommodations and guarantees.

4 groups vie for P1.6-B geothermal project

By Abigail L. Ho

PHILIPPINE NATIONAL OIL CO.-Energy Development Corp. has declared four bidders finalists to undertake the P1.6-billion, 20-megawatt (MW) Humbi geothermal project in Negros Oriental.

These were Aboitiz Power Renewables Inc., the Hunt-Unocal and Hyundai consortium, Rhombus Energy, and Ormat International Inc. The four are expected to conduct project site inspections before submitting their technical bids.

The project, formerly known as the Palinpinon 2 optimization project, involves the installation and commissioning of a 20-MW geothermal power plant, as well as the construction of a switching station to connect to the National Power Corp.'s 138-kilovolt transmission line in Nasuji.

Upon commissioning in 2007, the Humbi project is expected to boost the Mainit grid's total capacity and help meet rising demand.

According to the Department of Energy's updated Philippine Energy Plan for the 2005-2014 period, the Mindanao grid needs some P57.6 billion in new capital to prevent a power crisis, particularly during the summer months, due to its heavy dependence on hydropower.

The grid last year had a peak demand of 1,078 MW, hovering dangerously close to its dependable capacity of 1,402 MW and installed capacity of 1,660 MW.

By this year, peak demand in the grid is seen going up to 1,171 MW. This will grow even further to 1,615 MW by 2009 and to 2,226 MW by 2014, representing an average annual growth rate of 5.9 percent.

Requiem

QUESTIONS OF POLICIES

Honorata C. Gonzaga

WHENEVER I FEEL SAD ONES all the graft and corruption I hear going on in the government today, I bring to mind the stirring saga of my late uncle and aunt who were in the civil service all their adult lives. Then, I feel good again.

Tan Peping is indescribable at the University of Santo Tomas before World War II. His widowed mother supported him by selling dried fish in the public market when Peping was a small boy. Former years in Commerce/Law.

The monthly allowance his mother could afford to send me to college that making both ends meet in the big city of Manila was a constant struggle for Tan Peping. He could not afford to buy textbooks, so he spent all his spare time studying in the library. There was one textbook he wanted to have. He copied the text and illustrations by hand. If the Xerox copying machine had already been invented, he would not have afforded the printing charges anyway. By the end of the semester, he had copied the entire book. The handwritten textbook is one of the treasures he left behind.

Because he had to do his own laundry, he made sure his white uniform would not get dirty so easily. Before taking his place in the classroom, he would wipe his non-shoes and cover it with Manila paper.

He went to the public theater before dawn to do his washing alongside the poor washerwomen. Then, the washerwomen offered to wash his underwear, too. All they asked was, "When you are already educated, please do not forget us."

Tan Peping never did. He worked all his life as a surgeon at North General because it was the hospital of the poor washerwomen who helped him. He never passed the chance of treating that lady nurse. He was the surgeon of the poor.

His blood is true, he was good looking but self-spoken. An attempt had a knee of a smile on his face. He was an all-around nice guy. He did not have an enemy in the world. Everybody at North General came to celebrate Tan Peping's life.

Tan Peping's wife, Nana Zeny, who came from a middle-income family in Silay, was two years behind him in medical school. After passing the board exams, she joined the Department of Health, the one to become director of regulation and licensing, where there were ample opportunities for making dirty money on the side. She never touched the stuff.

The couple bought two adjoining units in one of the government low-cost housing projects in Quezon City. The Intramuros turret resident. This is where they raised their one and two daughters who all went to medical school, and where they spent the rest of their lives together.

Tan Peping bought a second-hand car. It was so old it was no longer fashionable, except against compulsory third party liability. Always careful, he drove the car at way below maximum allowable speed. But I guess he was also afraid that if he drove fast, the car would break up.

Tan Peping joined every peacefully at retirement. Ten years ago, Nana Zeny followed him recently. They are buried side by side on a memorial park in Novaliches. His aboveground encasement may be their resting place.

I am absolutely certain St. Peter threw the pearly gates wide open and greeted them, "Well done! Enter into your Father's Kingdom!"

I am also absolutely sure that there are thousands of Tan Pepings and Nana Zenys in the government today working and slaving at home. Being by serving the people, in spite of the temptations for graft and corruption around them. This is why I believe that this country of ours, in the end, will be okay.

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Neda approves Transco Vis-Min deals worth ₱3B

By Abigail L. Ho

THE NATIONAL ECONOMIC AND Development Authority has approved around P3 billion worth of National Transmission Corp. (Transco) projects in the Visayas and Mindanao.

Transco president and chief executive Alan Dizon said in a statement that Neda approved the 138-kilovolt (kV) Pitogo-Calbayog, Sangali-Pitogo and General Santos-Tacurong transmission projects.

The Pitogo-Calbayog project involves the replacement of wood pole-supported 69-kV transmission lines in the area with steel-pole-supported 138-kV lines.

Dizon noted that the entire Northern Samar still had wood pole-supported lines prone to drops in voltage and transmission shutdowns.

With the Pitogo-Calbayog project, not only would these lines be replaced with more reliable ones, but the growing electricity demand of Calbayog City and adjacent Northern Samar towns would also be addressed.

The Sangali-Pitogo project entails the replacement of the existing transmission line towards in the area with steel pole-supported 138-kV double circuit lines with a capacity of 300 megawatts (MW) from the existing 90 MW.

The project is expected to address Zamboanga City's growing power demand, as well as provide for future interconnection to Basilan.

Like the first two projects, the General Santos-Tacurong project also involves replacement of 80 kilometers of wood pole-supported single-circuit 138-kV lines with steel pole-supported double-circuit 138-kV lines.

With the approvals, he said the same lines would now progress to bid out. the P600.3-million Pitogo-Calbayog and P1.13-billion General Santos-Tacurong projects.

All three projects are part of Transco's five-year P8.08-billion expansion program budget from 2006 to 2010, which the Department of Energy has approved and endorsed to the Department of Finance.

Upon completion, the lines will be better able to handle bulk power. The growing electricity demand from the area's fishing, packing, canning and seafood processing industries will also be better addressed.

CAP: From pre-need's . . .

Front page B1

regime in the early 1990s. But it has since fallen on hard times.

Once a symbol of financial security, CAP's flagship product—the "open-ended" educational plan, which guaranteed matriculation benefits regardless of future tuition hikes—has fallen into disrepute. Schools no longer accept evergreen bond checks as tuition payments. The firm is insolvent, and its top officials have recently been charged by regulators before the courts.

Critics of the pre-need industry—and an increasing number of disenrolled clients—now believe that early success has transformed essential financial schemes into financial scams.

(Very) early warning

One such critic is Isidoro and financial reform advocate Evangelista Escobillo.

As an officer of the actuarial society of the Philippines (AAP), she said that CAP's troubles, along with that of the pre-need industry, were predicted as early as the mid-1990s.

"As actuaries, we could tell even back then that something was very wrong," she said in an interview last week. "We had actuarials."

Having dealt with the mathematical aspects of the insurance industry in the past, Escobillo and some AAP members volunteered to review the finances and accounting practices of the pre-need industry.

A close cousin of the insurance industry, the pre-need industry was then "red hot." The economy was beginning to take off in the 1980s, disposable incomes were rising, and clients were buying educational plans in droves. More importantly, the real estate industry was booming, and high returns on investment were becoming the norm.

Even CAP seemed to be booming. Escobillo said a cursory examination of industry practices already revealed shocking weaknesses.

"Basic companies' business models were sounding an annual interest of 18 percent," she said. "Investments? That was very optimistic. It was unrealistic."

More importantly, her group discovered that the entire pre-need industry was using aggressive accounting practices which understated liabilities and tended to present a rosier financial picture than it was.

Many owners and top officials of pre-need firms were content to ignore CAP's practices, not realizing that they were fooling themselves and their clients, Escobillo explained.

"Everyone else adopted it," she said. "No one bothered to question the system."

Ticking time bombs

The financial troubles that have befallen at least three major pre-need firms since last year were highlighted in very harsh terms this week by Escobillo, who said that the old business model of "open-ended" plans was a disaster waiting to happen.

The Securities of Philippine Pre-Need Plan Companies (SPPC), the umbrella association of the country's more than 40 pre-need companies, now admits that their old business model was bound to fail.

An oversight committee formed by the Securities and Exchange Commission (SEC) last year is track the financial health of embattled CAP declared that firm's problems as ticking time bombs.

Those open-ended plans had a hidden flaw: it committed to the firm to a financial obligation that had no ceiling (a deregulated tuition environment) could increasingly limited what its net investments.

How did this scheme evolve?

In 1980, lawyer and pre-need executive Enrique Sotto-polo, a former CAP and later founded the educational plan after realizing that thousands of his savings family were often insufficient to send children to school.

His business model capitalized on the dream of every Filipino family to send their children to college.

Packaged in an educational plan, CAP pooled plan holders' premium payments and, with the aid of clients banks, invested them in high-yield assets and securities. The success of the scheme was contingent on CAP's investments appreciating faster than the rate of college inflation.

It worked—but only for a while.

By the mid-1990s, the industry's business model was coming under intense pressure as the government deregulated the tuition environment for colleges and universities. The outbreak of the 1997 East Asian financial crisis signaled a sea change for CAP and the rest of the industry.

According to Escobillo, many pre-need companies like CAP tried to prop their ballooning liabilities and fund benefit payments by simply selling more educational plans.

"The proceeds from the new sales were used to service maturing obligations," she said. "This is how pyramiding scams operate."

As with the biggest pyramid scams, the financial house of cards was bound to collapse, leaving many clients holding the bag.

Dashed hopes

Primo Arzaga, an electrical engineer whose son is a sophomore at a prestigious university in Metro Manila, bought his CAP education plan in the 1980s for roughly P134,000.

Arzaga said he latched on to a CAP agent's sales pitch. first the firm will take care of graduating his child to a school that's number. He felt that he was buying more than a contract. he was trying to ensure a good future for his son. through education, especially when old age ends his earning capacity.

"Ngayon, as you see throughout the, wala na. Kailangan mag-umpisa all! Pero it's no longer there in your time of need. He need na wasn sure," Arzaga said, admitting that ordinary plan holders like himself did not see the symptoms of the industry's most collapse coming.

As with the big pre-need companies, from loan sharks and friends to pay for his son's enrollment and mid-term exams, as schools clamp down on students who fall behind on tuition payments.

He also pins his hopes on a promissory note from CAP which has pledged to reimburse him and other plan holders by next month for the advance that made for their children's education.

"Hindi tuloy an anim na Arzaag kami kikitain na pabalikan ang panagtipo. Pero medyo't na medyo ang pag-asam. (They told us not to let go, to be patient. But we're almost at the end of our rope.)," Arzaga said.

For complaints about being "dribbled" by unscrupulous CAP and the SEC often setting his complaint to both parties, the firm, which is now in receivership, after the SEC-made him and other plan holders sign a letter to the CAP president working an explanation for the firm's woes.

Like millions of other clients of CAP and others in the pre-need industry, Arzaga knows what went wrong. He wants to know if regulators were negligent. He wants to know what he can do to recover his hard-earned money and to make the company and its owners suffering subsistence honor its obligations. (To be continued)

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SMC needs A$100M to fund Berri takeover

SAN MIGUEL CORP. (SMC) AND IT WOULD need A$100 million to A$150 million to complete its takeover of Australian juice maker Berri Ltd., sources told Inquirer.

The takeover of Berri would allow the full expansion of the Australian juice brand into SMC-owned regional dairy company Selecta of Foodsfield.

SMC earlier acquired 31 percent of Berri for $160 million earlier. It has to acquire the remaining 51 percent in January next year to gain full control of the company.

To fund the acquisition and the entire possible investments, SMC may contract loans from banks through National Foods as the borrower.

SMC had completed negotiations for a $100,000 million loan to cover a US$1.1-billion bridge financing used to buy 100 percent of National Foods.

Sources also told Inquirer that aside from Berri and National Foods, the food and beverage conglomerate remained interested in Sydney brewer Lion Nathan.

Lion Nathan, however, said it was not aware of any offer from SMC.

"It (Lion Nathan) has not been approached and it has not engaged in any discussions consistent with that speculation," Deirdre Hosking, company secretary and general counsel of Lion Nathan had said.

The combined distribution channels of Berri and National Foods should provide savings to the company, estimated at US$30 million, Spencer White, Merrill Lynch Hong Kong strong-cut had said.

SMC's aggressive expansion into foreign markets comes at a price.

Standard & Poor's credit analyst Nancy Kirkland observed that SMC's debt was expected to rise substantially to P186 billion (US$3.6 billion) by the end of 2005, from P61 billion at year-end 2004.

PLDT to exceed debt payment goal

By Clarissa S. Batino

PHILIPPINE LONG DISTANCE TELEPHONE Co. is expected to exceed its debt reduction target for this year.

The company aimed to cut its debts by $600 million this year. However, having been able to pay two-thirds of the amount owed before the end of the third quarter, the company expects debt payments this year to exceed $600 million.

"We were already two-thirds of the way to our $600-target with only nine months to go," said PLDT senior vice president and treasurer Amabelle Chua in an interview.

PLDT has so far paid $412 million in debts.

On Aug. 1, PLDT paid P20 million of its maturing bonds. About $80 million more in obligations are falling due this quarter and $66 million in the last quarter.

Outside of debt payments of $132 million during the first half, the telecom giant also reduced its net option liability by $45 million when it allowed the conversion of some preferred shares into more than a million common shares.

PLDT president Napoleon Nazareno said the company would continue to use much its debt payment so it would realize more savings on interest.

In the first half, the company shelled out P47 billion for interest payment or fixed-line home. This is over 10 percent lower than the P5.3 billion in interest payment in the same period last year.

Mining prospects getting brighter

THE DEPARTMENT OF ENVIRONMENT AND Natural Resources sees good prospects ahead for the Philippine mining industry.

Environment Undersecretary for mining and legal affairs Demetrio Ramos D. Demetriou expressed confidence that the industry's target of generating US$6 billion for 22 priority mining projects by 2010 would be met.

"Last year, we generated investments of $540 million from four mines, which are only in the exploration or pre-feasibility stages," he said. "We expect more investments on the fourth and fifth year, when most of the mines are already in operation."

The Philippine backbone is one option for mining investments because of its proximity to big Asian markets such as China, Japan, South Korea and India. It would be very expensive for these countries to source their mineral requirements from South America, where some of the world's biggest mines are located, because of the transportation cost, officials said.

According to Demetriou, the governments of India, China, Japan, Australia and Canada all want to sign agreements with the Philippines to undertake a mineral assessment of the entire country. He said that out of a total of nine mineral resources of potential mining areas, only five resources of potential mining areas, only 200,000 hectares—or 2.5 percent—have mining claims to date.

"Australia and Canada placed their bets on the Philippines a long time ago," he said. "They not only have technical expertise—they are also adept at taking risks. On the other hand, China is a new but very aggressive player. After all, it is the world's biggest market."

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Pinoys are colonizing Disneyland with their talent, industry and cheerful disposition

NEARLY all the lead vocal parts in "The Golden Mickeys," a 30-minute show which goes on stage every day at the Storybook Theater in HK Disneyland, are assigned to Filipino performers. Photos: Raevanda Jo-hall gown, foreground), plays one of the hosts.

Asia's minstrels light up the Magic Kingdom

Text and photos by Gibbs Cadiz

THE HAPPIEST PEOPLE ON earth have found a fertile ground in the happiest place on earth.

Filipinos, working either as talents, bartenders, park attendants or management executives, are among the 5,000 or so cast members helping create magic in the newly-opened Hong Kong Disneyland in HK's outlying Lantau Island.

One of the most prominent Pinoy executives is Bobby Garcia, erstwhile resident director of Atlantis Productions and now the show director of the Staten theme park. As such, he is concurrently in charge of all live entertainment in the park, from Broadway-style shows such as "The Golden Mickeys," the daily afternoon parades down Main Street, to the general atmosphere of the resort.

Provocative theater

Garcia made his name in the Philippines with provocative theater fare, beginning with productions such as "Hiwaasa" and "Angels in America" to such smash musicals as "Stars," "Dreamgirls," "Jesusmio" and "The Rocky Horror Show." His last credited production before his HK Disneyland stint was "Beauty and the Beast."

"It was an easy transition for me," says Garcia. "Much of the park's entertainment is theatrical, which a my training, plus I used to go to theme parks a lot in the US when I was growing up. This is also a chance to work with brilliant people and create new material."

Unlike other Filipino performers who work in the park on short-term contracts, Garcia is a permanent employee, part of the HK-bia-sepiaed management team.

When he came on board, one of the first people he recruited was Jessy Restuti, a well-known musical director in Manila's theater and show circuit. Now Restuti is the overall musical director for HK Disneyland.

Second wind

Another Filipino who is dancing in the Magic Kingdom is Wendy Panganiban, a former Ballet Philippines dancer who moved to HK Ballet.

For a number of years, Panganiban was a corypheus (a demi-lead) in the HK Ballet corps, doing the classics such as "Swan Lake," "Sleeping Beauty" and "The Nutcracker." Along the way, she got married to Antoni Calderon, another former BP-trained HK Ballet dancer.

But Panganiban began sustaining injuries that eventually sidelined her. "I can't dance on pointe anymore," she says. "Six years (heavy) ballet for me."

The HK Disneyland audition proved to be her second wind. She auditioned in January this year, and by June she was rehearsing with the cast of "The Festival of the Lion King," a spectacular, 45-minute Broadway-style show which was making its debut in HK Disneyland. For [illegible]

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MARS Ravelo, Moe Dagdag and Marvin Dagrocnon entertain in a trio role of Quasimodo in "The Hunchback of Notre Dame" last week.

Asia's minstrels . . .

Entertainment C3

years, the acrobatic spirit that runs across the country as Simbo and Nala sing "Can You Feel the Love Tonight."

The show is headlined by African-Americans, but its two dozen supports are Filipinos. Pangasinan brunell, and Jaime del Prado (of Tramparo and Repertory Philippines).

There are 20 other Pinoys in the ensemble, mostly products of dance companies in Manila.

Working with Disney has been a very rewarding experience, says Hungerford. "They're very easy to work with, and they take good care of their staff. They always think of my safety first. Everything is compartmented in our shoes, and if the winds [the device connected to her harness] is off by a few seconds, they won't let me fly."

Bigger show

A bigger show in terms of showcasing Filipino talent is "The Golden Mickeys," a 90-minute awards-style pageant that celebrated Disney's most memorable films, songs and characters. It goes onstage several times a day at the Disneyland Theater in Switzerland.

Here, mostly all the major vocal parts are played by Filipino performers. The show emcee is alternately played by Marissa Ramanda (previously of New Voice Company).

MARI Gaerlan as Captain Shang in the "Mulan" suite, a role he shares with Ray Bokado and Ruben Abaya.

BOBBY Garcia and Wendy Panganiban

Dhiba Talabrocna and Jenny Almendras (both of Repertory Philippines).

But unless you know their faces, you wouldn't recognize them, because they do their Chinese stuff with outfit, gestures that you'd think they were local performers.

In the role of Captain Shang here "Mulan," Bobby Garcia alternates with Ruben Abaya and Ray Bokado. Jonathan Amoroso "The Blue Room" for SMT before flying to HK.

Mulan is an outstanding Rep natural actor/dancer, while Bokado's executive director credits include stints as star-lead of "Chang & Eng" in Singapore and lead roles in "Sino Ito Ba, Jose Rizal" and "Kanser Paabot Tangawa."

Quantitatively, meanwhile, of "The Hunchback of Notre Dame," is alternately voiced by two dancers Rep mainstays, Noel Bayan and Alex Cagadas, and a 10-trained classical singer, Dakyan Galvadores.

The "Tarzan" suite, which sees a salad-eating girl belting out a song while Tarzan performs acrobatics with a vine, has its vocal piece lilted variously by Jinky Gumaru (who played Ariel in Toronto's "Miss Saigon" and the Arab Queen in "Aladdin"), Eve Ostrahon ("Norwegian"), and Jing Pepi (Asia Pop!'s sister).

In the entire show, only one lead parts are not assigned to a Filipino vocalist: Belle in the "Beauty and the Beast" segment and Johnstone's "Under the Sea" number from "The Little Mermaid."

FILMER Flores and his piano bike on Main Street

BARTENDERS Jeffrey Cuarro, Marvin Mateo and Daryl Bulaon.

Inspiring

Then there's the inspiring story of 22-year-old Mariah Lou Arcilla, another Ballet Philippines alumna. Arcilla used to work in a Manila call center before she auditioned for HK Disneyland. She was hired on a private Cantonese lesson when many more were needed for "The Golden Mickeys," The casting guru were back to the tapes, and waved Arcilla.

She was immediately plunked out and included in the show. Apparently Arcilla was a natural standout because in the time at all she would be appointed dance captain of "The Golden Mickeys" despite her youth and relative inexperience. A true Cinderella story!

And Arcilla stayed on as a parade dancer, no doubt she would have encountered Filmer Flores on Disneyland's Main Street. Flores used to be a music teacher in UP Diliman. He auditioned for 60 Disneyland talents in 1991 and remained a month for more players.

Now Flores is a fixture in the park, the guy who plays ragtime on a 1920s-style piano bike while visitors snap photos of him in his street vintage vest, suspenders and bowler hat. He played piano on the wedding of government officials led by Chief Executive Donald Tsang amidst along the streets, just inches away from him, during the park's grand opening.

SHIELA Valderrama, another Pinay lead of "The Golden Mickeys"

Joy in storytelling

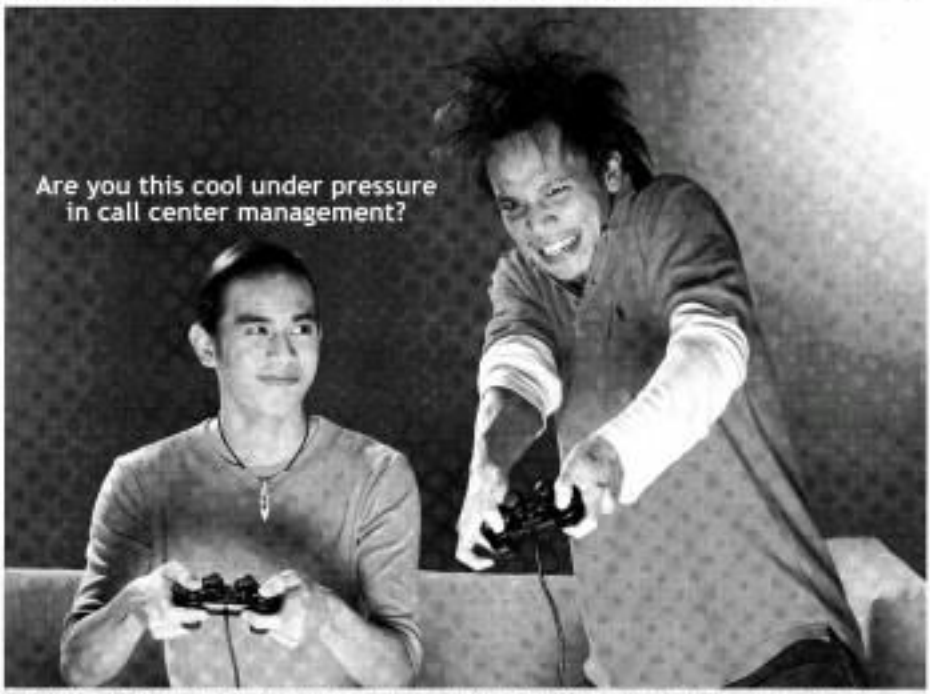
There are many more like them, and not necessarily in the performing arts alone.

Maycel Arana of Dasi, Camarines Norte; Jeffrey Castles of Concepcion, Tarlac; and Daryl Bulaon, a BS hotel/Pasay, were three of the bartenders during the "Enchanted Evening" grand opening dinner and conventions.

And Thida Pe, who is half-Filipina, half-Chinese, manns the ticket counter at the Hippodrome Theater where her companions put on a great show every day.

"The number of Filipino visitors to Disneyland can do nothing but good for us," says Garcia. "It will allow others back home to dream, while we here will go back with new experiences. More than anything, the quality on both ends of Disneyland members is key in telling a story. And we Filipinos understand this very well."

E-mail the author at gcalo@inquirer.com.ph



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